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AND SUPREME COURT AND CONSULAR GAZETTE

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PULL DEVIL, PULL BAKER

By SAPAJOU

A FRESH MIND

Coming as it were with a fresh mind to the present problem of Sino-Japanese relations Dr. Alfred See seems to have succinctly summed up the conditions in which a satisfactory basis of mutual cooperation can be found by the two countries. The policy of the "new concept" has been clearly stated by Japanese spokesmen but Chinese observers have not yet been convinced that it has received complete endorsement from all who are responsible for executing Japanese policy in China. Dr. See's definition of that neighbourly relationship which has so happily governed the contacts between the United States of America and Canada seems peculiarly suitable for application to the principles of the "new concept," as expounded by Mr. Naotake Sato and recently welcomed by Dr. Wang Chung-hui. It would be unfortunate if the manifestly good intention now prevailing at Nanking and Tokyo were to be rendered nugatory by unthinking invocations of discredited moods. Although, as Dr. See admitted, the relations between China and Japan are not entirely satisfactory there is ground for asserting that some of the sharper tones of discussion have been abandoned. It would be indeed unfortunate if Japanese spokesmen felt impelled to revive that minority technique which has proved so barren in accomplishment in Chinese affairs and so embarrassing to Japan's relations with friendly and sympathetic in her regard.

INTERPRETATION NEEDED

Mr. Koki Hirota has naturally a paternal pride in the three principles which he enunciated nearly two years ago in the endeavour to smooth out the ruffled relations between China and Japan. They received various interpretations but perhaps the most reliable version is that given by Mr. Hirota himself in the Diet on Jan. 21, 1936:

- (1) Basic adjustment of Sino-Japanese relations, with China not only ceasing all unfriendly acts but effectively co-operating with Japan.
 - (2) Regularization of relations between Manchukuo and China with the provision of temporary measures to prevent trouble pending China's recognition of Manchukuo.
 - (3) Co-operation with China for the eradication of Communism.
- The latest version succinctly telegraphed by Reuters from Tokyo interprets the three points as covering Sino-Japanese endeavours to combat communism, "absolute control of anti-Japanese activities in China," the conclusion of a Sino-Japanese economic entente. It is understood that Mr. Hirota is also disposed to reaffirm the policy of the "new concept" in dealing with Chinese affairs. It would seem that some definiteness in reconciling the two principles will have to be invoked for the "new concept" definitely accepts the basis of equality which, on the surface, seems to be imperfectly recognized in certain aspects of the three points, however they be regarded.

A SILVER JUBILEE

Congratulations to a great organization were appropriately given by Sir Hugh Knatchbull-Hugessen at the dinner celebrating the Silver Jubilee of the Kailan Mining Association. It was specially pleasant to note His Excellency's tribute to the Association's progressive and enlightened policy in the handling of its labour problems. As an example of Sino-British co-operation in the industrial development of China the Association has a well-merited reputation to which the British Ambassador happily drew attention. The point has considerable importance in these days when public opinion is seriously exercised over conditions which obtain in certain industries in this country, particularly in that industry which the Association has so successfully developed. By its employment of modern devices for the technical operations of its staff and for the provision of proper amenities of life for its 40,000 employees the Kailan Mining Association has set a splendid example which evokes special fervour in the good wishes now extended to it for the continuance of its prosperous and beneficent enterprise.

"LUSHAN LANTERN"

The Kuling American School has had the happy thought of combining the literary exercise of a school magazine with the production of a pictorial memento of its daily occasions. In a pleasantly elegant cover well-printed pages record the triumphs of the staff and the students, the idiosyncrasies of the population which goes to compose the world of freshers, sophomores and other scholastic castes, tribes and clans. In the rarefied air of Kuling it appears that an abounding energy can lead to many efforts, whether in developing a taste for photography, studying the drama, "hitting the trial" as scouts hunting the snipe (and perhaps the Snark in the library), yachting on Poyang, apart from the more regular and purely instructional routine for which a highly talented staff is engaged. It is all very cheering to find Kuling so inspirational in its mood. As the "Lushan Lantern's" own poet says:

For verdant summits draw to heaven's gate

A thing that love fresh winds and waterfalls

There lies the spirit of this fortunately situated school in the Hills.

FINE WORK IN THE AIR

The latest development in the air communications of China reflects the greatest credit on the organization of the Eurasia Company and the skill of its young pilots. The inaugural flight from Peiping to Hongkong, with its connecting service from Shanghai to Hankow was carried out without a hitch. The smoothness of the arrangements can be gauged from the ease with which it was effected in a last-minute variation in the programme whereby the Shanghai plane made the connection at Hankow instead of at Chengchow. The

achievements of the Eurasia pilots in China have in some degree received less attention than they have deserved, partly because the appearance of that admirable service in the China field came at a time when the pioneering activities of the China National Aviation Corporation had so well accustomed the public to air transport. It is all the more fitting, therefore, that special congratulations should be tendered to the participants in this Peiping-Hongkong enterprise which brings the North of China into direct air contact, not only with Canton but, through Hongkong, with the world's main routes to Europe, America and Australia. The names of Leiding, Sasse and Harald Herzog will be permanently associated with a workmanlike and courageous advance in oriental aviation.

RESERVE BANK BILL

No doubt attention has been given to the circulation of certain statements which purport to announce the specific provisions of the charter of the proposed Central Reserve Bank of China. Unauthorized revelations of that kind, however plausibly sponsored, cannot be taken seriously and reliance on them must accordingly be avoided by responsible observers. The satisfactory method of ascertaining the conditions under which it is proposed that the new institution will function is to study the charter itself when it receives official publication in the course of promulgation of the relevant enactment. The principles generally governing the central banking system of other countries have been lately examined in these columns. Until the intentions of the Chinese Government are definitely known through the proper channels it would be highly undesirable to waste time in considering forecasts which cannot pretend to be more than what they are: sharpshooting speculations, with all the potentiality for error inherent in their kind.

CHRISTIE OF MANCHURIA

To the life and work of Dugald Christie who died last December, his college at Mukden is the permanent memorial. In the annual report of the College for 1936 eloquent tribute is paid to the remarkable services which he rendered to humanity and to the Christian Church in Manchuria and it is announced that a Memorial Fund has been opened in Edinburgh to cover the payment of the salaries of four new European doctors to be sent out to Mukden to remedy recent losses in personnel. The appeal is to be kept open for eighteen months from April last and the Fund will be administered by the Board of Management at Mukden. The money required is that which will give an additional annual income of £1,600 for the four doctors' salaries and also provide for ten years' endowment of a Chair at the College. The report records several instances of appreciation of the services which during his forty years in Manchuria Dr. Christie rendered to the people

among whom he lived. An exceptionally striking tribute came from a Japanese scholar of Mukden who, regretting the lack of opportunity to thank Dr. Christie in his lifetime, bore testimony to the respect which he felt for the great missionary, whose work he described as "an uphill fight in order to build a paradise on the Earth."

PIRACY EXTRAORDINARY

A truly blatant example of book piracy has come to the notice of this journal. The victims are local publishers of a technical handbook printed in English for professional business men. It cannot well be translated into Chinese, but Chinese, as well as foreign, technicians find it useful and regularly purchase it for a sum which, having regard to the cost of production, cannot be considered unreasonable. Yet so active are the pirates that they have given attention even to this work. They have produced—apparently by photographic processes—a replica of the book which they blandly sell at less than half the published price. Apart from the theft of their property, the publishers suffer definite damage to their reputation in that the pirates reproduce the imprint and so sell the pirated version as if it were the product of the proper owners' press. As that version is badly reproduced from the photographic plates this damage is by no means negligible. The carelessness of the piracy can be gauged from the index which containing references to pages omitted from the pirated version because they are merely advertisements. In other words the piracy is naked and unashamed and cannot be defended even on the specious ground that the book is expensive or much in demand by a wide and impoverished reading public. Its readers by their very occupation are fully capable of paying the small price demanded for the original book; their purchase of the pirated copies, unless they are deceived by the impudent, if clumsily executed, imitation, is not excusable on the ground of poverty, although in point of fact that excuse seems rather quaintly to be tendered, for it is accepted by the publishing business here there is no ascertainable reason why in the name of logic it should not be applied to other commodities. Why cannot the poor man obtain the necessities of life from the receiver of stolen goods and, thanks to the ingenuity of the book pirates' champions, be applauded for his enterprise?

DISCREET FRANKNESS

Characteristically the British Government has recognized the pressure of public opinion on the operations of the Equalization Fund and has endeavoured with a discreet frankness to temper the oyster-like reticence which the responsible banker cultivates when carrying out delicate monetary manoeuvres such as are involved in the Exchange Equalization Account. The concession has obviously been necessary because the Government has invoked the authority of the House of Commons to increase the Fund from £250 millions to £550 millions. In reviewing the history of the Fund, Sir John Simon was able to show that it had been successful in promoting definiteness and checking speculative adventures after the restraining influence of the gold standard had been removed. The decision to disclose the amount of gold held in the Fund at a given date avoids the danger of supplying the currency speculator with a heaven-sent opportunity for it makes the six-monthly announcements relate to periods three months in arrears. Thus on June 30 the amount of gold held on March 31 is revealed. On December 31, presumably, the figures for September 30 will be given. Sir John was able to make the reassuring disclosure that on March 31 the Account held but a trifling amount of foreign currency free from the dangers of unexpected fluctuations. The Fund is thus in a healthy state; the soundness of sterling has been well maintained. The House's reaction to this frankness shows that, so long as recognized precautions to outlaw the speculator are taken, the sponsors of a managed currency have everything to gain by putting as many of their cards on the table as is consistent with efficiency and banking propriety. The chief asset on which successful currency management relies is public confidence and that can be naturally based on command of information to which the public may legitimately feel it has the right to lay claim.

CHINESE POLITICS

SETTLING BORDER DISPUTES IN FRIENDSHIP

Head of Chinese Yunnan-Burma Border Mission on Successful Talks with British Group

Nanking, June 29.

MR. Leong Yew-koh, senior Chinese delegate on the Sino-British Commission for the delimitation of the Yunnan-Burma boundary, returned here to-day from Yunnan via Chengtu and Hankow. Interviewed by the Kuo Min News Agency, Mr. Leong said:

"It is more than six months since I boarded an aeroplane for Yunnan in November last. Meetings of the Sino-British Boundary Commission were resumed on January 2 this year at Lanchow, and down to April 23, when the deliberations were officially terminated, no less than 116 meetings were held, inclusive of the previous session. On the following day with the rest of my party I hastened back from the border to Yunnan. We went through Lantao, Nanchiao, Fuhai, Cheli, Szemao, Ningher, O-shan, Yuchi, and other hien, our return journey taking exactly one month on horseback—for it was May 24 when we reached Yunnanfu. After half-a-year of constant contact with long-haired, tattooed tribesmen, we are now back again in Shanghai and Nanking in the midst of modern civilization, with a strange feeling of having been in two different worlds.

"The business of the Commission of Investigation was for each side to approach the problem from an objective standpoint in seeking the true lights of the boundary question and to report their conclusions to their respective Governments. These reports will doubtless be published by both Governments in due course. For the present, therefore, it is unnecessary to go into details, save that I shall avail myself of this occasion to say a few words on the significance of the boundary settlement.

Amicable Spirit

"This time China and Great Britain came together to settle a territorial dispute in an entirely amicable spirit and on equal terms. It is an encouraging example, which a world ready for war to satisfy territorial ambitions, may well follow. The years following the Great War have abundantly shown that the waste of incredible amounts of money and the sacrifice of countless human lives, which are the tolls of war, can be traced to one root cause, namely, excessive ambition for spoils but a scarcity of land for division. The nations of the world have rearmament to a greater degree before the war, and the repatriation of territories again furnishes a latent cause belli. Land greed is one more likely to provoke future carnage. It is at such a time especially, when peaceful solutions seem a vain hope everywhere, that the amicable settlement of the boundary question between the two great nations of China and Britain possesses added significance.

"But one thing more must be realized. While admitting this instance to be one showing a way for peace to the rest of humanity, we must also appreciate that, although an amicable solution has been found, basically each country and nation sought the course most beneficial to itself. Contentions and differences it is impossible to evade; but what does truly merit attention is that these disputes have been steered into the proper channels, that is to say, their regulation and solution according to law. Purely legal methods and procedure have been used in settling the dispute over the Yunnan-Burma boundary. The meeting table has replaced the field of battle; the discussions were conducted according to facts and governed by reason; contentions were sustained when backed by right on their side, otherwise they were rejected as a matter of course. Thus was a peaceful solution brought about, and entirely on a basis of equality and mutual regard for law. If it were otherwise, there would only be international anarchy and the human race struggling against one another, as in the dark ages; for peace depends on mutual respect for law.

Encouraging Sign

"That China—surrounded by powerful neighbours ready and quick to help themselves—is able to follow the path of peace in settling her differences with one of the Great Powers is an encouraging sign that the world need not go to war for every bit of land to which there exist rival claims. A short-sighted and uncompromising attitude in such matters is far from beneficial, even to the victor who suffers alike with the vanquished, while all the fruits of victory cannot compensate for the actual losses sustained. A policy of peace, on the other hand, not only strengthens an enduring friendship, but also brings in its train great mutual advantages.

"Mr. Wang Ching-wei, former President of the Executive Yuan and concurrently Minister of Foreign Affairs, was a firm believer in the efficacy of these methods. Accordingly during his tenure of the Foreign portfolio he commissioned me to effect an amicable solution, in accordance with legal procedure, of the boundary dispute which had been sending for the past three decades and more. After two years of work, this happy result has been achieved, and to Mr. Wang's credit it should be recorded as one of the outstanding achievements of his administration.

"It is my hope and belief that the delimitation of the boundary will lead to further reciprocation of benefits on terms of equality between China and Britain, with resultant expansion of trade and improvement in the system of communications. China's south-western frontier regions may presently look forward to an era of increased prosperity and thus furnish a practical illustration of the rewards of peace.

Certain Impressions

"A few words may here be added concerning our impressions of certain aspects of the frontier situation. The youth of our nation are collected largely in the cities and towns, while the agricultural population also overcrowd our arable areas. The result is that in the overpopulated cities there is not enough work to go round, hence much unemployment. Farmlands, too, are insufficient to feed the number they are called upon to support; many farmers are idle because there is no land for them to till. Conditions in the border regions, however, are quite the contrary. In the areas inhabited by the Shan tribes there is not a single beggar to be seen; not only does every able-bodied man have his parcel of land, but there is a superabundance of arable ground waiting to be tilled. These territories are therefore the logical and imperative solution to the problems of unemployment and land deficiency.

Yet closer enquiry reveals that the migratory movement toward the sparsely populated frontiers has made no headway at all during the past several hundred years by reason of a deep-seated fear of a fever-ridden climate. This fear is really not without foundation, as we discovered in the Sze-Pu districts, where intermittent epidemics have in the course of the last fifteen or sixteen years reduced the population from 200,000 to a mere 20,000. In March and April this year occurred the last epidemic, during which many deaths took place within 24 hours of the manifestation of feverish symptoms. We passed through these districts just two weeks after the worst of it was over; but many of the inhabitants, we heard, were thinking of moving away to healthier parts, while others who had been planning to settle down were deterred by these reports and remained where they were. What are the prospects then of developing the place?

Health Service Needed

"In my opinion the vanguard of the migratory movement to the frontiers should be a proper health and sanitation service. Take for instance the case of Panama before the opening of the Canal. It used to be one of the world's most dreaded spots, but the yellow fever was conquered and to-day the Canal Zone is one of the most important channels of communication. Greece, Spain and Portugal were once leaders of civilization—the latter two being practically world powers. But because, among other factors, malignant diseases proved too powerful to cope with, the influence decayed. Unless the health of the nation is safeguarded, even the national existence will be endangered, not to mention affairs of lesser moment.

In Yunnan at present only superficial remedies are being applied because of economic stringency, such as the distribution of medicinal powers and the establishment of local hospitals, etc. But medicines only keep the malaria fever and other diseases at bay; when supplies are exhausted the diseases reappear with their usual virulence.

"Steps should be taken to effect a fundamental cure of these natural pestilences, including even drought and famine. It is my earnest hope that the Central Government will

FINANCIAL AFFAIRS
EXPENDITUREReduction Recommended by
Legislative Yuan

Nanking, July 1. Upon passing the Budget at its meeting last week, the Legislative Yuan recommended to the National Government to reduce the estimated expenditure for financial affairs as provided for in the National Budget for the 26th fiscal year (July 1, 1937-June 30, 1938). The estimates amount to \$89,232,090, being 6.92 per cent. of the total national expenditure. The detailed figures are as follows:

ORDINARY EXPENDITURE	
Financial Administration ...	\$1,654,267
Customs ...	31,763,644
Salt ...	20,777,433
Internal Revenue ...	10,791,428
Income Tax ...	2,083,000
Miscellaneous ...	970,941
First Reserve Fund ...	816,600
Total ...	\$68,867,626
EXTRAORDINARY EXPENDITURE	
Financial advisers ...	\$200,000
Remittance of Customs surcharges and banking fees ...	22,266
Mongolian Salt Bureau and Hopei Saltworks ...	39,448
Charhar Stamp, Tobacco and Wine Tax Bureau ...	3,948
Initial expenses for Income Tax Inspectorate and Finance Collectors' Training Class ...	80,000
Shanghai Industrial and Commercial Exhibition Committee ...	6,000
Liquidation of public properties ...	12,600
Total ...	364,264
Grand Total ...	\$69,232,090

—Kuo Min.

STRIKE PREVENTION
ORDERED

Gen. Chiang Kai-shek's Order to City Government

Kuling, July 2. That precautionary measures be adopted to prevent labour strikes, is ordered by General Chiang Kai-shek, in a telegram to the Greater Shanghai Municipal Government. The order states:

"In recent years labour strikes have occurred repeatedly. They are likely to affect the development of enterprises. During this period of economic reconstruction, the situation should be stabilized as far as possible, and precautionary measures adopted for the prevention of trouble, so as to avoid complications."

The order is to be transmitted by the Municipal Bureau of Social Affairs to the various labour unions in Shanghai.—Kuo Min.

GOVERNMENT APPROVED
LOANS TOTALLED

Nanking, June 28. Up to date, it is calculated, the Central authorities have approved \$291 millions of Provincial and Municipal Government loans, the issue of which were sought by the local authorities for reconstruction and other purposes. Chekiang province heads the list with \$60 millions.

Of the \$291 millions issued, \$177,885,000 have still to be amortized. The Szechuen Provincial Relief Loan of \$12 millions, recently approved by the Central authorities, is not included in the total of \$291 millions.—Kuo Min.

Lanchow, June 28. Another million dollars will be distributed in the form of loans to the farmers in the rural districts of Kansu. This sum will be provided by the Farmers' Bank of China in accordance with an order issued by General Chiang Kai-shek, President of the Military Affairs Commission, to General Ho Yao-tsu, Chairman of the Kansu Provincial Government, and to the head office of the bank at Shanghai.

Loans amounting to \$500,000 were extended by the Bank, by order of General Chiang Kai-shek, to the farmers in 15 districts of Kansu in April.—Kuo Min.

devised early measures by engaging specialists to investigate the real origins of the diseases with the view to their eradication. I am confident that the expense involved in combating them will be more than repaid several times over by the increase in national productivity. Otherwise the prevalence of sickness will remain and spread far beyond their present confines to the serious detriment of this country.

Vital Importance

The frontier area of Yunnan is of vital importance, not only to China's national defence, but also on account of its valuable natural resources. Therefore the proper rehabilitation of this territory is a measure not to be further delayed. I have considered it my duty to call as wide attention as possible to the situation I have just described, and I am hopeful that the requisite measures just described will be promptly taken.—Kuo Min.

U. S. RAILWAYS LOAN TO CHINA

Dr. H. H. Kung Declares Specific Needs: Funds Desired to Finance Internal Loans

Washington, June 29. Mr. Jesse Jones, chairman of the Reconstruction Finance Corporation, announced to-day that the Export-Import Bank, an R.F.C. subsidiary, had agreed to finance one-half the price of a \$1,500,000 sale of twenty locomotives to China.

Orders for ten locomotives each have been placed with the Baldwin Locomotive Co. and the American Locomotive Co.

Dr. H. H. Kung revealed to-day that China is desirous of obtaining foreign funds to finance internal loans which at present carry an interest rate of eight per cent. In addition, he said China is interested in commercial credits abroad for "installment buying" of specific commodities. China is not interested in foreign loans for new purposes; he pointed out.

Dr. Kung made this statement after he had been received by President

Roosevelt at the White House. He and the President chatted for ten minutes. Mr. Roosevelt announced that he would again receive Dr. Kung next week, possibly on Tuesday, after his own return from his son's wedding and after Dr. Kung's return from Oberlin College.

Dr. Kung explained that China wished to avoid a consortium loan. He said that China customs receipts showed a surplus of Ch.\$150,000,000 each year after payment of foreign loans installments and guaranteed on all outstanding foreign loans.

Conversion Scheme Hoped

"It is possible that China would be interested in a conversion scheme by which present interest amounting to about eight per cent, and \$2,000,000,000 Chinese currency would be reduced to four per cent, saving about \$80,000,000 which might be used for reconstruction purposes," he asserted.

His conversation with the President was general. Dr. Kung reported. He conveyed his respects to the President as a friend, and thanked him for American co-operation in China's currency crisis. He went on to state, precisely the nature of his conversations with the Secretary of State, Mr. Cordell Hull, and the Secretary of the Treasury, Mr. Henry Morgenthau, except to say that the subjects were the common interests of China and the United States.

The Chinese Minister of Finance said he did not intend to raise the silver question while here. China, he pointed out, had large deposits in United States banks since making silver sales to the United States, but that bankers did not pay interest on the amounts.

The situation, he said, demonstrated that there were vast amounts of capital the owners of which were seeking profitable investment opportunities. He said some owners would probably be glad to obtain four per cent. interest from a China conversion loan, instead of nothing, particularly in view of the fact that China's credit was firmly re-established.

Dr. Kung said China's projected five-year economic plan was designed to include enlarged domestic manufactures, reducing the nation's dependence on imports.

For the economic and industrial development of China, Dr. Kung said, "we need scientific knowledge, technical skill and capital. Following the teachings of Dr. Sun Yat-sen, we welcome foreign co-operation. We want to develop China's vast resources, not only for China but also for the world."

Democratic Neighbours

"Your country is in a uniquely advantageous position vis-a-vis China," he said. "First of all, the two countries have an unbroken record of traditional friendship. Secondly, they are neighbours across the Pacific. Both have the same ideals of democracy. Therefore, all co-operative undertakings in harmony can be reasonably assured. If your people are willing to invest some of their surplus capital in China, we can assure security. Our successful currency reforms have produced salutary results in the economic life of the nation. We have been especially favourably assisted in international trade through the stabilization of the Chinese dollar."—United Press.

"Highly Satisfactory"

Washington, June 30. After two meetings, the Chinese Minister of Finance, Dr. H. H. Kung, and Senator Key Pittman of Nevada, chairman of the Senate Foreign Relations Committee, both to-day expressed the opinion that financial relations between China and the United States were highly satisfactory to both sides.

The conversations here are believed to have been largely informative without any plan for new action by the American government, regarded as unnecessary at present.

Senator Pittman told the United Press later that, "I believe Dr. Kung is perfectly satisfied with the silver situation. He intimated that he believed the price of silver should perhaps be higher compared with the price of gold. He indicated that he thought the price of silver rose too fast in the early stages of adjustment and I did not contradict him and did not point out that China and France would have done what we did in 1933.

"Anyway, China has shown marked progress recently. Her economic situation is reflected in her monetary situation and vice versa.

"So far as direct Sino-American monetary relations are concerned, the present pleasant situation is the result largely of the power of Con-

(Continued on page 7.)

NANKING MOVES TO
KULING

Nanking, June 30. Dr. Wei Tao-min, Secretary-General of the Executive Yuan, with important members of the Executive Yuan and General Yu Fei-peng, Minister of Communications, left for Kuling by steamer this morning, thus officially closing the Government office here during the summer months when the Government functions in Kuling. Mr. Sun Fo, President of the Legislative Yuan, is leaving for Kuling on July 3, while Dr. Wang Chung-hui, Minister of Foreign Affairs, will leave on July 2.—Reuter.

Dominion Day, July 1



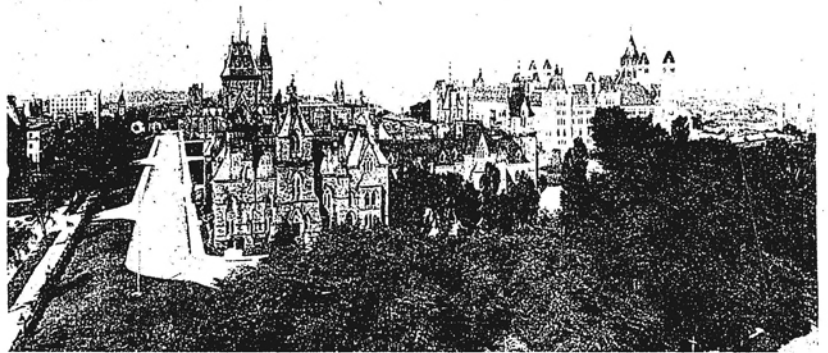
Visiting Canada for the first time recently, the Oxford and Cambridge University Ski Teams are here seen while on a practice run. They are returning to their headquarters, the Alpine Inn, St. Marguerite, Quebec, after a thrilling spin on the snowy slopes.



This massive building is the largest hotel in the whole of the British Empire. It is the Royal York Hotel, Toronto, Ontario, Canada.



Another palatial hotel at which visitors to Canada may stop while "seeing the sights" is the Vancouver Hotel.



The magnificent buildings of the Canadian Parliament in Ontario, Ottawa, are seen in this general view taken from the side.



Spires and stately buildings dominate the waterfront at St. John's Harbour, New Brunswick.



The Empress Hotel, Victoria, British Columbia, is one which is well-known to many Shanghai-landers who have visited Canada on their way home on leave.



This is the real old type of "log cabin" used by the early settlers in Canada. It once belonged to a prospector working in the Porcupine Gold Belt at Timmins, Ontario.

The World's Wit and Humour



"London Opinion"

London

HIKER: By Jove, I can do with this. I've had a bad quarter of an hour.
 BARMAID: Really, Sir. What happened?
 HIKER: Well, I arrived fifteen minutes ago and you weren't open.



"Collier's Weekly"

U.S.A.

"Nobody's ever been able to get near enough to tell 'em it's all over."

WYNDHAM ROBINSON



"Morning Post"

THE BACKBENCHER'S DREAM COMES TRUE

London



"Oregonian"

Portland, Ore.

You wouldn't turn a dog out on a night like this.



"Oregonian"

Portland, Ore.

"Let's go, dear; this is where we came in—that same man is on third base."



"New Yorker"

New York

SMALL GIRL: "What would you do if Herbert Marshall walked into this room right now?"



"Times"

Los Angeles

A CAST ASTRAY



"Humorist"

London

SECOND (to well punished warrior): "Don't lose 'cart, 'Arry. You've still another twelve rounds to go."



"Daily Mail"

TRAINING FOR THE LOW JUMP

London

North-China Herald

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AN OPIUM DANGER

July 3.

Grave consideration should be given to the proposals which are being made to extend to the International Settlement in Shanghai the Government's new scheme for the progressive reduction of the opium traffic within a period of six years. The scheme itself is sound and has the blessing of Geneva, in that it follows experience elsewhere by virtually legalizing the cultivation of poppy with the view of suppressing it by gradual stages. This is considered to be far more practical than the former system which under the cover of a universal prohibition actually stimulated the evil traffic owing to the enormous prices obtainable for opium manufactured under such conditions. On principle the Settlement authorities are obviously bound to give sympathetic consideration to whatever measures the Government may be disposed to commend for coping with the traffic within the limits of their jurisdiction. At present the Council's officers take steps to prevent the sale of opium in the Settlement; they apply Chinese law to the arrest of addicts where found in conditions justifying such action. They also maintain a narcotic police section which, so far as is practicable, seizes illicit stocks of opium, raids opium dens and generally assists in stamping out the traffic. Admittedly their activities fall far short of perfection, owing to the peculiar circumstances of local administration and to the limited resources at their disposal.

Apparently it is now proposed that the Council should adopt certain measures for co-operating in the six-year plan by establishing a special suppression organization which will work on the basis of legalizing the sale of opium on the monopoly principle. Under this scheme addicts will be registered and licensed by co-operation with the Chinese authorities and certain appointments will be made by the Government with the Council's acquiescence for the supervision and direction of the progressive reduction programme. On the face of it this scheme is admirable, especially as it has been approved by the League of Nations Advisory Committee in its general application to China. On that point the views of the Anti-Opium Information Bureau recorded on June 1, 1937 are relevant:

The situation in China proves the wisdom of the Chinese Government in re-legalizing opium and its sincerity in its efforts to reduce the cultivation of opium. The Six-year Opium Suppression Plan of General Chiang Kai-shek promises to prove effective. If the situation created by the flooding of China with clandestinely manufactured narcotic drugs does not prevent the Government enforcing its suppression plan according to the time schedule established by General Chiang Kai-shek. Credit is due to the Chinese Government for the progress achieved. There remains, however, much to be done before the Government can overcome certain vested interests behind the illicit traffic in China.

The Shanghai Municipal Council has carefully to take its knowledge of local conditions into account with special reference to the last sentence of that statement.

This journal has no hesitation in asserting that local influences of most sinister significance would im-

mediately develop their baleful activities if what amounts to a legalized monopoly were established in the Settlement under cover of a six-year suppression plan. Already discussion of the proposed appointments to the suppression organization has evoked the mention of names which arouse the gravest apprehensions. The Council is in a most difficult position. If it refuses to co-operate in the scheme it will be open to criticism as obstructing a beneficent reform. If it unreservedly offers its co-operation it will be exposing the Settlement to the menace of a gangster traffic far exceeding anything hitherto known here in dimensions and potentiality for evil. No-one questions the Government's good faith, but the Council, as the representative body of an international community whose Governments are all pledged to relentless war on the drug traffic, cannot afford to risk its good name by allowing dubious machinery to be installed within its jurisdiction. Knowing as it does the unscrupulous impudence of certain local interests it should be able to insist that the monopoly set up to effect suppression should be put in hands which are beyond question independent of any local pressure, and command unhesitating confidence from respectable citizens. The Government has such men at its disposal—men who can be trusted to act fearlessly and, if need be, ruthlessly against traffickers and gangsters, however highly placed, however powerfully protected. Its local officials, admirable though they may be, should not be exposed to the danger of pressure from the local kings of the underworld, whose sinister power has all too long been condoned. Fortunately this issue now raises the question of the immunity which these "kings" have enjoyed to their own enrichment and to the wholesale exploitation of the community. The Municipal Council has to decide whether it will give the weight of its authority to extension of this wicked and illicit régime or whether it will strengthen the forces of good order and decent government by making its co-operation in the Six-year Opium Suppression Plan conditional upon the adoption of measures expressly designed to stamp out the opium traffic and with it the nauseating gangsterdom which sullies the civic reputation of Shanghai. The decision is too grave for the Council to make solely on its own responsibility. There is ample ground for suggesting that it should be made after full and frank consultation with the Consular Body on whom, with the acquiescence of the Government at Nanking, responsibility for the administration of the Settlement ultimately rests.

UNFOUNDED FEARS

July 6.

Although Dr. H. H. Kung less than two months ago obtained from his personal contacts in London the assurance that the reported Anglo-Japanese conversations could not prejudice Sino-British relationships or develop in the Far East policies unfavourable to China, there has of late been a revival of Chinese uneasiness on that point. Fuel has been given to this speculation by certain expansive utterances in the Japanese press which more suo is apt to give hospitality to political kites of other than diplomatic origin. That the Chinese Government does not endorse the suspicions entertained by such critics may be gathered from Dr. Wang Chung-hui's recent conversation with certain Japanese reporters to whom he expressed the view that both Great Britain and Japan shared his opinion that any Anglo-Japanese understanding should respect China's territorial sovereignty and administrative integrity and secure consultation with China on issues directly affecting her. Generally the argument that China has reason to be uneasy over the possible consequences of an Anglo-Japanese understanding is based on the traditional belief that China profits most from disagreements between the other Powers. Specifically, too, it is contended that in the search for a solution of their economic differences the two naval Powers will be inclined to compromise on their interests in China with the result that by recognizing certain "spheres of influence" to use the old term of power-diplomacy, they will implicitly do violence to China's integrity.

Moreover this mode of agreement may be associated with diplomatic concessions which will perhaps include recognition of the State of Manchoukou, to China's prejudice. The peculiarity of the present régime in the North is also judged to lend itself to an unholly disregard of China's fundamental rights there.

The conversations, happily initiated in London by Mr. Shigeru Yoshida, and discreetly stimulated by Prince Chichibu's tactful renewal of his English friendships during his visit to the Coronation, have not produced any public announcement on which definite comment can be appropriately made. It is sufficient at the moment to observe that the desire of Japan to repair certain gaps in her relations with Great Britain has been freely noted in the Japanese press from the beginning of the present year. The settlement of the Keelung incident was held to pave the way for conversations to which the visit of Prince Chichibu was considered to add authority. It should be recalled, however, that, in Japan and especially in England, the evidence that the Japanese Government was showing favour to a more "rational" policy in China was adduced to justify faith in the success of such conversations. It seems clear, therefore, that neither Japan nor Great Britain is under any delusion on the importance of fully respecting China's essential rights among which her integrity and sovereignty stand supreme. In other words the reversion of Japan to what in British eyes is a "more orthodox" policy toward China has formed the main basis to the proposed conversations. London spokesmen also made it clear that by reserving liberty to apprise the United States of America of the progress of the conversations and by keeping China's newly-consolidated unity fully in mind, there could be no danger of reviving fears of a return to the discredited methods of old-time power diplomacy in the Far East.

Even if these considerations are lightly regarded, there are further solid arguments which give them reinforcement, should that process be necessary. Great Britain is still bound by the policy of the Chamberlain Memorandum of 1926 and has therefore to be guided

by certain general principles designed to safeguard the integrity and independence of China, to promote her political and economic development and rehabilitation of her finances.

In the light of the support given by Great Britain to Dr. H. H. Kung's monetary reforms scheme this passage in the memorandum has special pertinence. If those who feel unable to gauge the possibilities of British policy would glance at the history of the last few years they should find illuminating guidance. Committed to faith in the collective system through the Covenant of the League of Nations, Great Britain has been loyal to the League in the handling of the Manchurian problem and, more recently still, in regard to Abyssinia. At the present moment the combined efforts of the British and French Governments, in association with the majority of European states, are being directed toward observance of the same principles for application to the situation in Spain. Great Britain's hope is that by the conversations with Japan the danger of drift in the Far East may be avoided and a contribution may be made to the development of a rapprochement between China and Japan for the greater stabilization of the political and economic conditions in the Pacific. The Chinese Government, judging from Dr. Wang Chung-hui's statement is satisfied on that point as the result of the friendly announcement made by Mr. Anthony Eden in May. It is not likely to be betrayed into the belief that the Anglo-Japanese conversations give the signal for revival of the old technique which plays one power off against the other, any more than for the British or Japanese Governments to contemplate a combined endeavour to exert pressure in this or that direction. Japan is too astute not to recognize the fidelity with which British statesmen have adhered to their declared policy in regard both to China and to the League. If she entertains—as her British friends undoubtedly hope she does entertain—the friendly ambition to smooth out the asperities of recent differences between herself and Great Britain she is well advised of the premises on which such an enterprise may be successfully essayed.

Those premises exactly preclude any development which could conceivably undermine China's integrity or friendship with Great Britain.

SEVENTY YEARS

July 1.

Canada's celebration of Dominion Day this year marks the seventieth anniversary of the passing of "The British North America Act" which on July 1, 1867 brought the senior Dominion of the British Empire into existence. Over a hundred years before then, Canada, by the Peace of Paris 1763, passed into the British company. The partnership has had its vicissitudes, its triumphs and disappointments; it has held firm and with very real pride and affection do the Mother Country and the Sister Dominions congratulate the eldest of the family to-day. Canada, no less than her fellows in the British Commonwealth, has an individuality of her own. She is by no means expected to view all world problems within her immediate notice entirely through the eyes of London. Fortunately that freedom of thought is amply provided for in the loose-knit Constitution of the Empire. As was abundantly proved during the discussions which led to his present Majesty's Accession—discussions for which Canada was better primed, perhaps, than any other Dominion—this right to differ merely strengthens the solidarity of agreement on fundamental issues.

Leaving out of account India whose Dominion status, although on the anvil, is not yet completely forged, Canada has a more complex racial composition than any other member of the Commonwealth. When, in 1763, 60,000 French settlers in New France came under the British flag it was expected that they would eventually be merged in the nationality newly assumed by them. To-day, of Canada's 11 millions, no less than 3,000,000, 75 per cent. of whom live in the Province of Quebec, are French-speaking descendants of the sturdy inhabitants of the former French colonies. Secured in the exercise of their own religion, their own language, they still have in Quebec a civil code derived from the pre-revolutionary *Code de Paris*. Not for nothing, in the process of transfer from French to British rule, did the voyageurs give a new meaning to the old chanson:

*A la claire fontaine
M'en allant promener
J'ai trouvé l'eau si belle
Que je m'y suis baigné
Où, il y a longtemps que je t'aime
J'ai jamais pu te oublier.*

So it has proved. Beside Canadians of French origin, there are 4½ per cent. of German descent—relics in the main of Great Britain's former association with Hanover—and, of the 52 per cent. classified as British in origin, a good proportion do not regard the present United Kingdom as their Mother Country in the strict sense of the term, their antecedents making them look rather to the United States of America or the South of Ireland. Proud as they may be of their British citizenship these Canadians are conscious and no less proud of their different national background.

Canadian nationalism—a plant of steady if slow growth—has therefore peculiar characteristics which cannot be appreciated unless these racial origins are taken into account. The oldest, largest and most populous Dominion has, in fact, in its own ability to govern itself a confidence derived from long-standing traditions of cultural political and strategic independence. It furnishes an almost paradoxical portent in the closeness of Canadian friendship with the "good neighbour" across the long southern, arbitrarily delimited and undefended border—to the significance of which Dr. Alfred Sze has just paid a notable tribute—for those relations are fully compatible with a strong fidelity to the ties of the British Commonwealth. The beneficent rôle played by Canada in maintaining Anglo-American understanding has been vividly illustrated during the past year by the cordial interchange of visits between the President of the United States of America and the brilliant statesman and author, Lord Tweedsmuir, who represents King George VI at Ottawa. Canada's accepted right to develop her own policy has therefore a special importance in British imperial philosophy. It raises issues of some complexity,

for it is inevitable that in a world which at the moment is wont to take its metaphysical controversies seriously, the Canadian view may differ even more sharply than that of any other Dominion from the trends discernible in British thought. This is not necessarily inimical to the interests of the Commonwealth as a whole for it helps to ensure the tolerance and breadth of vision on which, in the last resort, the cohesion of that Commonwealth must rest. Yet it would be unfair both to Canada and to the Empire as a whole if the resultant difficulties were underestimated or glossed over. Fortunately statesmanship on both sides of the Atlantic has shown itself alert in sensing the dangers of such a situation—and what is equally important—in turning to good account the opportunities thus given for broadening the conceptions of British policy. As an influence for peace, for mitigating the evils of economic nationalism, Canada has pulled her full weight. On this her day it is appropriate to salute that imperial service and to wish well to the vigorous and progressive people whose genius has rendered it.

INDEPENDENCE DAY

July 5.

The present jargon of political fantasy confusedly deprives words of concrete meaning and clouds meaning in rapid verbiage. Simple, rugged, firm-syllabled, jaunty and clear-cut, that Independence which the people of the United States of America commemorate on July 4 places the world in their debt. It expresses a national ideal with complete clarity. It guarantees freedom in democracy. It pledges a nation's resolve to uphold the immutable principles of liberty and the institutions dependent on them. In the perplexing uncertainties of the state of mankind to-day it is comforting to know that these safeguards exist. As, during the week-end, American citizens the world over celebrate the birth of their nation in the adoption by the "Continental Congress", otherwise the fifty-four "Representatives of the United States of America in General Congress assembled", their friends will derive moral sustenance from the thought that democracy is once again being consecrated to the purposes of national progress and development. The conviction is no less strong because at the moment the United States of America cannot avoid the problems which, whether in the East or in the West, are sorely exercising the wit of statesmanship and disturbing the equanimity of international contacts. The acute political controversies which a free and independent people would be the last to evade will, no doubt, recede temporarily into the background as Americans salute the memory of July 4. President Franklin Roosevelt, for the occasion, is not the adventurous pioneer of a new social system, not the Don Quixote tilting at the windmills of ancient custom, not the reckless inciter of class hatred. He is the chief representative of the American people; admirer and critic join in this celebration to acclaim him accordingly.

Recognizing as they do that the internal difficulties and disappointments with which the American Government has to grapple, although primarily the concern of the American people, have a definite relation to international affairs, the friends of the United States of America are disposed to be of good heart as they sympathetically view the courage and resolution with which that country faces its problems. The bleakness of the period of acute depression has yielded to a more cheerful prospect, even if paradoxically the portents of unrest and dissension become more distressingly apparent. Underlying this bewildering surface of uneasiness is an inherent soundness of heart, which betokens an indomitable spirit endowed with the capacity as well as the will to succeed. Young though the American nation be, its traditions have already established the conviction that it is never so formidable as when it is confronted by dire threats to its solidarity. Therefore it is not surprising amid the heavy preoccupations of a strenuous domestic controversy, to find President Roosevelt's Administration ready to confer with other nations on the general situation of a distraught world with the definite purpose of ascertaining whether, by

a return to the temporarily dislocated process of co-operation and collective endeavour, some international solution cannot be propounded to remedy grave international ills. Moreover, in the normal course of its day-to-day development, the American nation is strengthening the capacity of the world for overcoming the economic and political obstacles to peaceful progress.

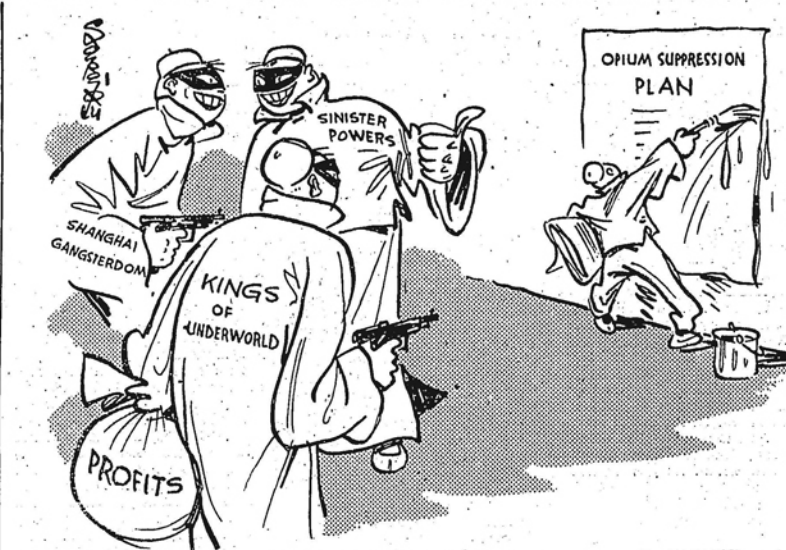
In preserving liberty of thought, freedom of speech and representative institutions the United States of America is assisting nobly to restore human sanity. The task is not easy. It has to be tackled with a sagacious appreciation of the peculiar difficulties which have carried some nations far away from modern conceptions of democratic government. Tolerance and restraint are essential to any form of statesmanship which seeks to secure for its exhortations and advice a patient and respectful hearing. Even that very independence on which Americans rightly pride themselves—especially on July 4—has to submit itself to the curb of political expediency. That is a difficult lesson for the American citizen, as also for the citizen of any free democracy, to learn and apply. Yet those who follow the processes of American thought, the efforts of American diplomacy, the expression of American ideals, will be satisfied that the genius of a people, comprising as it does so varied a blend of European origins, is adapting itself surely to the situation. Without surrendering the basic principles of that famous Declaration, American statesmanship is increasingly asserting its power to bring a benevolent influence to bear on the comity of nations to the defence of which it has made important sacrifices and contributions. On that account alone, Independence Day stands as a symbol to which the world looks in grateful confidence. It implicitly affirms faith in governments "deriving their just powers from the consent of the governed" as instruments designed to secure the "unalienable rights" of "Life, Liberty and Happiness".

THE DEVALUED FRANC

July 2.

As the French Government is acting in close contact with the Treasury authorities of Great Britain and the United States of America it is probable that every effort will be made to avoid the unfortunate incompatibilities which partly contributed to the failure of last September's devaluation of the franc. If the present devaluation is to be successful it is essential that the burden of public debt should be reduced and that a rise in revenue should be facilitated by enhanced prices and a revival of trade. In carrying his devaluation last September M. Blum was twelve months late in the selection of the margin for the operation. The sharp rise of French commodity prices, dating from the middle of 1935 had been far in excess of the world level and had been accentuated by the social legislation and wages agreements sanctioned by the new Socialist Government. The 30 per cent. devaluation was barely sufficient in the most favourable conditions to restore equilibrium; it would have been easily effective a year earlier, but as things were it was considered by good judges that a 40 per cent. devaluation would have given M. Blum the margin of safety required. Apart from that purely technical question the new Government heavily handicapped itself by associating its monetary policy with vindictive measures which antagonized capital and thus made it difficult to encourage repatriation and disbanding.

Belatedly in December the Government attempted to regain the confidence of the capitalist by issuing a new loan for which subscriptions from holders of gold certificates were accepted on advantageous terms. This was not completely successful because the gold was not accepted at its full market value and holders were reluctant to take a Government bond in payment instead of cash. Moreover in its efforts to finance rearmament the Government was compelled to resort to disguised inflationary borrowing, its position being further prejudiced by its own action in bringing the Bank of France under state control. Pressure from the extreme left wing of a left-wing administration led to



SHADOW OVER SHANGHAI

By SAPAJOU

the Government's adoption of a policy which fatally took a middle course. It was willing to wound but afraid to strike the capitalist system. This measures which required for their success the co-operation of capital were obstructed by other measures which were designed to penalize the very interests whose assistance was essential. The result has been seen in the revival of a serious flight from the franc, on which M. Vincent Aurioi's statement has been vividly illuminative—between June 1 and June 28 Frs. 7,700 millions worth of gold outflowed; Treasury Funds, which stood at Frs. 2,459 millions on June 15, fell to Frs. 1,483 millions on June 23 from which date a "mass flight of capital" began. M. Chautemps has now obtained wide powers to check the deterioration. His success in restoring the position will depend mainly on the extent to which the British and American Governments can continue to support the franc and that probably depends in turn on the new French Government's ability to avoid further disastrous concessions to anti-capitalist prejudice.

The present situation may be fairly summed up as connoting the complete loss of ground which was expected to be gained by the devaluation of last September. M. Chautemps will, no doubt, appreciate the lesson thus taught. His successful tackling of the crisis will depend on his adoption of a percentage which will be adequate to restore equilibrium between the franc and the dollar. M. Blum made the mistake of looking to a minimum percentage and thus was unable to secure the full advantage of the operation, apart altogether from his other self-imposed handicaps. Those were unfortunately conclusive in destroying all chances of success for they involved the association of political prejudices with monetary policy. The incompatibility of ideological theories with financial operations has thus been clearly exposed. The recent abandonment of the British Government's National Defence Contribution scheme afforded a minor example of the truth of that principle. No doubt profiteering on the straits of the nation's finances is a highly discreditable manoeuvre and should be checked by such means as are open to the administration, but if for that purpose vindictive disabilities are imposed on capitalism as a whole the direction of monetary policy is subordinated to purely political aims. The success of monetary reform depends ultimately on the judgment applied by the world market which takes no account of political theories but is severely limited in its observation to financial and economic realities. The object of devaluation is to confer certain recognized benefits on the community as a whole and to that issue the possibility that a few speculators will make an unjustifiable, yet perfectly legal, profit through appreciation of their exchange holdings is really irrelevant.

WEATHER WHIMS

June 30.

In these days when precise opinions on any subject are stigmatized as indelicate, when it is safer to be

colour blind than to venture to distinguish between black and white, it is not surprising that Shanghai should refuse to be decided in its views on its own weather. If regard be had to the heat table of daily statistics emanating from Siccawel it seems that the thermometer has been running about seven points below its form of last June. The month to-day finishes its course; it also marks the halfway stage on the progress of the year. So a little retrospect and reflection may not come amiss. Generally the impression exists that June has been much cooler than usual. In the firm determination to be grateful to the weather, for no boon, the Shanghaiander notes the apparent respite from the heat for which he prepared, but swiftly adds that the conditions are unhealthy and calculated to make doctors far too busy for their comfort. He might also complain of the unreasonableness of refusing to allow the thermometer to rise just when he had cold-stored his thick, and uncreased his thin clothes in deference to the accepted reputation of the season. Grumblers will not perhaps be found among the women. They, notoriously, can adapt themselves to any climate by the simple device of relying on the fashion rather than on the mercury to determine their attire. Still, they too are to be heard declaring that this is a most unusual June, that an appreciable reduction has been made in the year's hot weather zone—that the weather has been behaving oddly, in short. The experienced traveller will at once assert that he has never yet been in Shanghai without being informed that he is encountering curiously irregular meteorological tendencies.

Is this theory correct? Has June been so whimsical in its weather conduct? If the bare thermometer reading, compared with June 1936, be taken as the sole criterion the answer might be in the affirmative. Yet readers of this journal yesterday may have cast their eyes from the weather report at the foot of this page to the adjoining column on the next page where an extract gave a brief glimpse of some of the doing in Shanghai on June 29 sixty years ago. It will have been noted that at the (old) Lyceum Theatre the Amateur Dramatic Club were performing Robertson's comedy "Society". The audience was appreciative, if not large. That small attendance was attributed partly to the fact that the Club was staging a revival of a production of six months earlier, partly to the weather: "cool.... a drizzling rain.... a rather heavy portly gale". No surprise is expressed at that kind of weather. Nor can anyone who has just passed through a Shanghai June say that it differed much from conditions prevailing in 1937. Yet there is even better ground for arguing that the conventional view of June as a hot weather month in Shanghai has to be revised. This legend appears at the heading for the month in the Shanghai calendar of 1854:

This is usually the wettest month in the year. The average number of inches of rain which falls being nearly 8.0. The temperature continues to increase, but is not yet oppressive from the coolness of the nights, during which the thermometer seldom rises above 75-deg.

mean temperature 74.0 in. the Shade—80.0 in the Sun. Mean height of the Barometer 29.720. Mean fall of rain 8.647 in.; average number of rainy days 16.7.

Whereas the Calendar was prepared to describe May as "decidedly warm", it was satisfied to affirm that June was "not yet oppressive".

The legend for June 1854 might well apply to June 1937, but for the curious circumstance that the month now ending has been singularly below the normal in wetness. The calendar's note of an average rainfall of "nearly 8 in." contrasts strongly with the total of 3.86 in. recorded this June (up to and including June 27). In fact, the dryness of June has brought the mean rainfall for the half-year to 20.40 in. as against the normal average of 21.39 in., whereas, on May 31, the record for the first five months of the year showed 16.54 in. as against a normal of 14.85 in. It should be added that the 1854 calendar's normal of nearly 8 in. is in excess of Siccawel's 6.54 in. for June (to 27th). It is indeed surprising that June has been so cool in 1937 seeing that it has been—according to the figures—so greatly in defect with its rainfall. For the "wettest month" a total of 3.86 in. is pathetically feeble. There is time, of course, for the month to

finish in style to-day. It will have been noticed that the parents who are urging the schools to defer reopening for the Christmas term until mid-September proceed on the assumption that the fierceness of the hot weather leans toward early September rather than late June. The theory is well-supported by the quotations now given. July, in the 1854 Calendar, albeit with twelve rainy days, is declared to be "not inaptly described as hot, dry and scorching", although "considerable rain:... generally in the evening in the form of heavy thunder showers... sometimes very severe" falls.

August begins with "the hottest weather", mitigated by high winds; September has marked changes in temperature but it is to be noted that the mean temperature in the Shade for that month is 2.4 deg. higher than for June—a significant proof of the asperity of September's early days when it is realized that the Autumnal Equinox falls on September 24. Still it must be frankly admitted that, just as in the little matter of ages a woman is as old as she feels, if older than the figure on her passport, so the salamander refuses to be a slave to the thermometer. If he feels that the weather is as Mr. Mantalini put it "dem'd moist and unpleasant", no amount of juggling with dry or wet bulb will shake his conviction. He may even prefer to proceed by hypnotizing himself with the Chinese Calendar. He will then refuse to look to any period except that beginning on July 24 and ending on August 24—the Great Heat (Ta Shu) and the End of Heat (Chu Shu) respectively. As for the Lesser Heat (Hsiao Shu) on July 8, the Beginning of Autumn (Li Chiu) on August 8 or the White Dew (Pai Lu) on September 8 he decides to judge them strictly on their merits. If they deliver the goods, they have his approval. If they do not, they must be relegated with rain gauges, barometers and thermometers and other pretentious instruments to the limbo of ineffectiveness.

Four hundred Russian commercial establishments in Shanghai have agreed to pay Income Tax to the Chinese Government, according to a Chinese report published in yesterday's papers.

Owing to lack of supply of wheat, flour prices in the north have been increased considerably. According to a Chinese message from Tientsin, all flour mills are purchasing wheat from Pengpu and Hsichow.

After bathing, dust the body over lightly with Cuticura Talcum, and you will find you remain fresh, fragrant and cool throughout the evening. There is a reason for this.

Cuticura Talcum is absolutely pure and is specially medicated with balsamic essential oils. It absorbs perspiration soothes and cools hot, inflamed skin where chafing has occurred. Because of its unusual fineness Cuticura Talcum smooths more evenly over the skin so that its effect is more lasting.

Try it today to appreciate its wonderful "satiny" quality. Notice its delightful perfume—a flower-like fragrance that lingers all evening—and is itself delightfully refreshing.

Sample of Cuticura Talcum, Soap and Ointment sent on receipt of 25 cts. Address, Muller & Phipps (China) Ltd. P.O. Box 600 SHANGHAI.

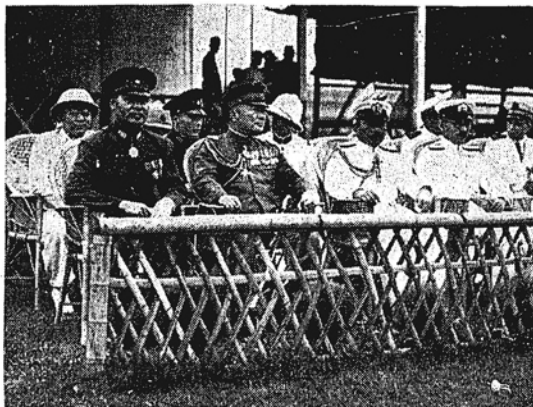
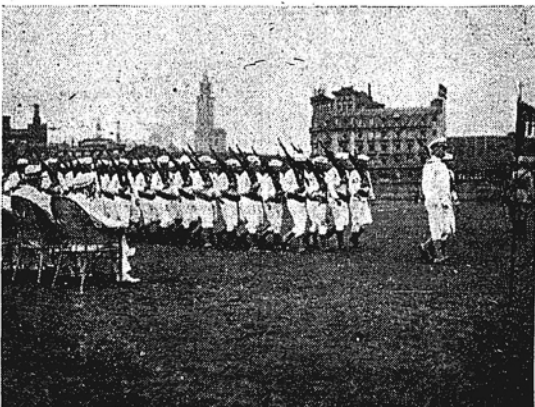
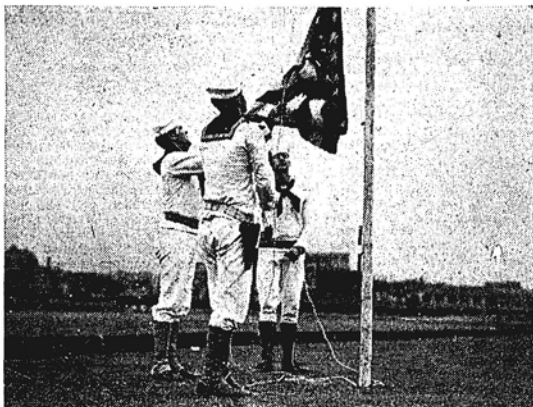
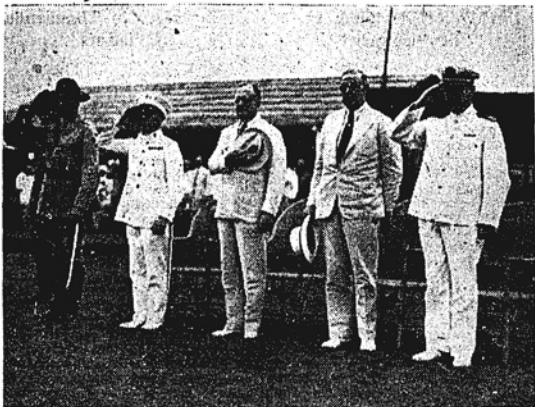


Cuticura

TALCUM POWDER

FOURTH OF JULY FLAG RAISING CEREMONY

N.C.H. Photos



In honour of the "Glorious Fourth" the traditional flag raising and attended by a great number of Americans and officials included Col. H. C. Pierce, commanding the Fourth U.S. Marines, of the American Community here, and Commander B. F. Perry, in at the upper right while at the lower left a unit from the U.S.S. Chinese and foreign military officials who attended the ceremony

ceremony and parade was held on July 5 at the Race Course of other countries. Upper left shows the reviewing stand which Mr. C. E. Gauss, U.S. Consul-General, Dr. J. C. McCracken, President command of the U.S.S. Sacramento. The flag raising itself is seen Sacramento is seen passing in review. At the lower right some of the are seen watching the parade from the chairs of the polo club.

SHANGHAI NOTES

A SHANGHAI LINK

As was noted at the time of his death last month, the late Sir Cecil Hanbury, Member of Parliament for North Dorset, was a former Shanghai-lender, being a partner in the firm of Ward & Hanbury with extensive knowledge of the Far East. It was perhaps not fully realized that as the son of the late Sir Thomas Hanbury, he had even stronger associations with Shanghai and his father's name is remembered in the Thomas Hanbury Public Schools as well as in the Hanbury Institute. The Hanbury family have been connected with Italy for over seventy years, Sir Cecil having inherited his father's beautiful estate at La Morla, Ventimiglia. He felt himself strongly opposed to the British Government's attitude on the Abyssinian question, although in other respects he was a faithful supporter of the Conservative policy. He also inherited his father's charitable instincts for which he found scope in his Italian journeys. In recognition of his generosity the King of Italy, on the direct recommendation of Signor Mussolini, bestowed on him the title of Eminentissimo and the Grand Cross of the Cordon of the Crown of Italy. Lady Hanbury shared her husband's political views and is said to have been the first Englishwoman enrolled as a Fascist. Sir Cecil's Dorset seat was Kingston Maurward. He entered Parliament in 1924 by wrestling North Dorset from the Liberals.

SHANGHAI'S TRAMS

"Few places in the Settlement are not within a couple of yards of a tram, or trolley bus." In an interesting survey of the rise and development of the tramway system of Shanghai "Oriental Affairs" for July comes to this conclusion. In cheapness of fares, immunity from accident—in 1936 there were only 1.39 accidents to every million passengers carried and "in May 1937, when 10,847,000 passengers were carried trams were concerned in only 15 accidents involving minor personal injuries"—satisfactorily steady dividends—never less than 11 or more than 13 per cent. during the last ten years, the yield at the present price of the shares (£2.6s) being 5.7 per cent.—regular employment given to 2,750 men, and the important contribution which they make to the solution

tion of the transport problem of Shanghai, to say nothing of the \$285,000 which they pay in royalties to the Settlement's revenues, the trams constitute a valuable part of Shanghai's civic machinery. They carried over 112 million passengers in 1936. The through running established with the excellent French Concession tramway system adds of course to the general usefulness of both organizations. It would be satisfactory if that wise co-ordination in the public interest, could be initiated by other utility transport services.

SHANGHAI'S FILM TASTE

Recent correspondence on the taste of Shanghai's cinema public receives illustration in the curious tepidity of the support given to two films which elsewhere have been warmly applauded—"Night Must Fall", "Make Way for Tomorrow". Neither of these films was frivolous although each had its moments of really well-sustained humour. One was a strong study of the psychology of the murderer; the other gave a faithful exposition of a domestic problem which has disturbed families from the days of the Flood. Both films received exceptionally discriminating and laudatory reviews from this journal's critics. Yet "Make Way for Tomorrow" at the Cathay Theatre had to "take way for Woodhouse on Sunday and "Night Must Fall," fell last night. The former, as an essay in realist comedy in the Shakespearean sense, could hardly have been bettered. It deserved to rank beside "State Fair" and its cast, without a single weak point. Mr. Emyln Williams' play was perfectly reproduced at the Nanking Theatre. It gave Mr. Robert Montgomery the acting triumph of his life. It showed one of England's finest character actresses in a role which she had created on the stage with brilliant results. Dame May Whitty's performance was well matched by those of the rest of the cast, especially Miss Rosalind Russell. Yet Shanghai could not support these cinemas with a verdict which the managements could describe as favourable. It may be permissible to express the hope that the exhibitors will not be downcast by these experiences, but will persist in the expectation of bringing Shanghai's taste on to the right plane.

THE NEW COMMANDANT

When this journal's London correspondent telegraphed last week that Colonel J. W. Hornby had been recommended to the Shanghai Municipal Council by the British War Office for selection and appointment as the successor to Colonel F. R. W. Graham, it was at once noted that for the first time in recent history the Shanghai Volunteer Corps would be commanded by a cavalry officer. From the official announcement of Colonel Hornby's appointment it will have been seen that the Commandant-designate has had a varied experience which has included command of a camel corps as well as of a cavalry regiment. It should be added that the 12th Royal Lancers— they are allied to the 12th Manitoba Dragoon (Canada) and the Canterbury Yeomanry Cavalry (New Zealand)—are now a mechanized unit, so in addition to horses and camels the handling of tanks has come within Colonel Hornby's military philosophy. Those who have met him declare that, apart from his distinguished professional qualifications, he has a personality calculated to appeal specially to keen volunteers. His service with the Egyptian Army and Sudan Defence force underlines that point and there is every reason to believe that the traditions so ably carried on by Colonel Graham will be safe in his hands.

JULY IN FORM

It is pleasant to record the fidelity of July in Shanghai to the traditions which that month has acquired in the meteorological records. Tigers who have been grumbling at the wishy-washy temperament of June and have been disposed to tell the newly-arrived griffins that Shanghai's hot weather was going to the dogs like all other institutions which the eager newcomer effusively takes to his heart, are beginning to be cheerful. They feel that their prophecies of prickly heat, the thirst that is too long for the ordinary tumbler, the general liquidity of human flesh, are likely to be fulfilled. Perhaps the enthusiasm in spreading the celebration of Independence Day over the whole of the week-end put the July heat imps on their mettle. Certainly the general conditions of the thermometer reassured any Frenchmen who may have feared that their own fervent demonstrations on July 14 might have to be carried out in furs and snowshoes. In short the hot weather has arrived and arguments will have to be circumspectly conducted in the interest of temper and comfort.

MARINES' VICTORY

It was an open secret that the Fourth U. S. Marines were set on recovering the Community Cup in the annual Independence Day baseball match. They earned hearty congratulations for their manner of accomplishing this desire and so established once more the proper margin between enthusiastic amateurs and well-trained fighting men to whom any form of sport is taken in the stride of service routine. The Amateurs will not be downcast, as they fight the battle over again today at other celebrations of the national festival, for they put up a really good fight. For the rest the baseball players—like cricketers—on Saturday are also to be congratulated on the weather which, though painfully reminding many people that summer had come, displayed a solicitude for Saturday afternoon comfort not frequently experienced in the last six months.

U.S. RAILWAYS LOAN TO CHINA

(Continued from page 2.)

gress which gave the Treasury Department the Silver Act.

"I have the impression that Dr. Kung seeks no new action from the United States. I have not heard of any intended new action. Conversations apparently have been generally informative and no action seems necessary at present.

Regrettable Lack

"Our present monetary strength is in large reserves of gold and silver. There has been much loose talk recently regarding our having excessive metallic reserves, but actually most other nations have too little, which is regrettable.

"With large silver and gold supplies, we are able at any time to purchase not only food and clothing, but particularly to negotiate with other Powers when the political situation is ripe for the adjustment of world currencies."—United Press.

The China International Famine Relief Commission's 1937 Drought Relief Fund's total on June 30, 1937 was \$52,807.40. This sum was made up of \$11,850.61 received in Shanghai, \$237.06 in Nanking, \$3,265.57 in Hsuehchow, and \$37,454.25 previously acknowledged. The contributions range all the way from \$1,000 to 10 cents.

From Daily News Ads.

Mr. Carl Lemcke is no longer on the sales staff of the Auto Palace Co., Ltd.

Mr. Arild Thoresen has been admitted a partner in the firm of O. Thoresen & Co.

Messrs. S. A. Racine & Co., Shanghai, have been appointed sole distributors in China for N. B. S. beer.

The subscription list for the issue of \$3,000,000 debentures by the Shanghai Municipal Council is closed.

Thirty-eighth annual general meeting of shareholders of Messrs. S. Moutrie & Co., Ltd. will be held on July 12.

The rates for international radio telephone calls between Shanghai and North America have been revised as from July 1, 1937.

Messrs. H. Ph. Kinghardt and J. A. Krougloff have been authorised to sign jointly the firm of A. N. Larazidy, during the absence from Shanghai of Mr. Larazidy.

Mr. Alan Tipple has opened an office under the name of the United Insurance Office for all classes of insurance in the Hongkong & Shanghai Bank Building, 12 The Bund, Shanghai.

The directors of the Sua Manggis Rubber Co., Ltd. have declared an interim dividend on account of the year ending December 31, 1937, of \$0.05 per share payable on July 15 to shareholders on register on that date.

Persons having claims against the estate of Sarah Laizlaw, late of 644 Weihaiwei Road, Shanghai, who died at Shanghai on May 17, 1937, are requested to send particulars to Mr. Harold Browett, 34 Museum Road, Shanghai.

The narcotics division of the National Hygienic Laboratory, Nanking, announce new prices and new methods of packing affecting several narcotic drugs and preparations. Papaverine Hydrochloride is an authorised addition to the revised list, which has been considerably enlarged to include many new articles.

Persons interested, either as creditors or debtors, in the liquidation of the estate of the late Mr. Louis Joseph Thesmar, who died at Shanghai on June 18, 1937, are requested to apply to Mr. J. Barraud, 41 Rue du Consulat, Shanghai, who has been appointed Provisional Administrator by the French Consular Court.

The British-American (China) Tobacco Securities Co., Ltd. have declared an interim dividend at the rate of 3 per cent. on the issued ordinary shares. Holders of share warrants to bearer must present Coupon No. 33 for examination at the office of the Chartered Bank of India, Australia & China, Shanghai. The dividend is due for payment on July 12, 1937.

The China Merchants S. N. Co., China Navigation Co., Jardine, Matheson & Co., Ningbo-Shanghai S. N. Co., Nishin Kisen Kaisha and San Peh S. N. Co. announce that they will assume no responsibility for cargo damaged by floods. All reasonable steps will be taken to safeguard cargo from such damage and any extraordinary expenses so incurred will be collected against delivery of the cargo.

The board of directors of the "China Trade Development Navigation Co., Ltd. (Societa di Navigazione per lo Sviluppo del Commercio in Cina, S.A.I.) incorporated and registered at the Italian Consulate, Shanghai, since March 23, 1937, state that their company has no connection whatsoever with the Italian shipping company known under the name of "Italo-Chinese River Navigation Co. (S.N.I.C.) G. F. Righini," nor with the "Chinese Italian Navigation Co., Ltd."

The "North-China Daily News" Sunday Supplement announces a second summer Amateur Photograph Competition for which there will be offered eight cash prizes of \$10 each. The competition will run from July 12 to October 31 and will cover eight different types of photography—news photographs, child studies, animal studies, Chinese life, sports, interiors, holiday and scenic photographs. Details will appear in advertisements both in the "North-China Daily News" and the "North-China Herald." Photographs from holiday resorts and outposts are welcomed.

NEWS FROM THE INTERIOR

NANKING CONTROL OF SZECHUEN

Gen. Liu Hsiang's Capitulation: Construction Proposals of Famine-Relief Commission

FROM OUR OWN CORRESPONDENT

Chungking, June 25. Rapid progress is being made in the adjustment of the Provincial government to the plans of the Central Authorities and in the re-organization of the military forces to meet the wishes of the Generalissimo. This week Mr. Ho Beh-hen flew down to Nanking with a special letter from Gen. Liu Hsiang welcoming the Minister for War, Gen. Ho Ying-ching to the province and assuring him of every co-operation when he arrives. Gen. Liu Hsiang broke the news of his complete capitulation rather gently but firmly to a large meeting of over 300 senior officers this week, pointing out that everybody must sympathize with the idea of a strong and unified army for national defence and showing how the settling of the present large bodies of soldiers on the frontier districts of Szechuen was a dream that he had long cherished and could now be realized as the Generalissimo's scheme embodied plans for the immediate settling of large bodies of ex-soldiers.

Government to Pay Troops

As a precaution against any further trouble the Executive Yuan has wired an order for the abolishing of all the Peace Preservation Corps in the province and although Gen. Liu Hsiang himself is not making a personal appearance at Nanking five of his leading generals have gone down to be personally instructed by the Generalissimo.

Beginning with July 1 all payments to soldiers will be made by authorized Nanking paymasters and the troops will be paid on the presentation of identification cards. This will probably make for much more contented troops and also stop a very lucrative source of private income for senior officers who are always suspected of squeezing a portion of the pay and of reporting much larger numbers of soldiers than they really own. In fact your correspondent sometimes wonders whether the reported huge numbers of troops in Szechuen are due to investigators looking at the paymasters roster or to an actual count of heads.

Since there are persistent rumours that the local tax is to be abolished as soon as all matters between Nanking and Szechuen have been fixed up, the Japanese Consul from Ichang made a special call on the authorities and tried to get some special arrangements, including freedom from search for Japanese ships. His efforts did not meet with success.

Famine Relief Projects

At its meeting this week the China International Famine Relief Commission passed on definite and immediate plans for work relief on a large scale. A contract with the railway construction officials was signed and just as soon as a price per cubic metre for the earth work and soft rock can be agreed on the first famine sufferer gangs will be started to work.

By late autumn a large organization will be at work bringing down sufferers from the stricken north to work on the third, fourth, fifth and sixth sections which will probably be given by special contract to the Famine Relief Commission for the earth construction work. This will have the happy effect of eliminating a great deal of the jealous and bitter competition which is going on at present among local contractors who are probably not able to do a good job on the work nor put up the necessary financial guarantees but who are not willing to see anybody else get the job. No very strong objection can be raised against the job being done as a famine relief measure.

Salt Funds for Relief

The Salt Administration has signified its willingness to devote \$500,000 towards the building of a highway in the Santai area to link up with provincial highways. The Famine Relief Commission is the point of signing a contract to supply the earth work coolies from famine sufferers.

Mr. Whang Tse-han, secretary of the Y.M.C.A., has just made a trip North at the request of the government and has returned with a report that the four counties in the heart of the drought area are prepared to find \$400,000 towards a \$1,200,000 highway through that region to connect with roads to Wanhien. The Famine Relief Commission was very sympathetic towards this plan and may consider a special appeal towards sufficient funds for this worthy project.

On Thursday the Chungking Rotary Club listened to a very interesting explanation of the construction of the railway in Szechuen, given by Mr. Den, chief engineer. He pointed out that this 560 kilometre-line is probably the most difficult that has yet been attempted in China. At a cost of about \$20,000,000 they will make soft rock and earth cuttings of about 22,000,000 cubic metres and construct over 300 large bridges and 1,000 small ones. When finished the line will consist of 50 per cent. curved line and of 60 per cent. on a grade but owing to recent improved surveys none of the grades will exceed 1 per cent.

A new finance corporation called the Szechuen Hsin Lih Finance Corp. which includes such important individuals as Mr. Chang Gai-ngau, Minister of Railways, and Mr. Wu Ting-chang, Minister of Industry. The corporation will back a large lumbering concern which will undertake to supply 10,000,000 trees which will be necessary for the sleepers for the railway. The thought of this already de-forested province having to supply a further 10,000,000 trees from its exhausted stocks is rather depressing.

Quick action on the part of the police was responsible for the tracing of a bag containing \$200 in cash, travellers cheques and other important valuables which was left in a taxi by Mrs. Ada Norfleet Fuller of Memphis, U.S.A. who with her son was a tourist in port this week. Given a sufficient number of tourists the police should become almost unique in this type of efficiency since this is the third case they have handled successfully this year.

Chungking University Courses

Mr. Hu Shu-hua, president of Chungking University, has announced the opening of a commercial course which will include banking, accounting and business management. It will be headed by Mr. Hsieh Ling, formerly manager of the Central Bank here and Special Finance Deputy for Szechuen.

There have been unusually heavy shipments of commercial piece goods by parcel post recently and the post-office has been working full time to get them distributed to the merchants who seem to feel that they are delayed more than is necessary. It is probable that most of the delay is caused by the haggling that is done by the merchants and the inspectors of the Local Tax Office which appears in some cases to collect its taxes not by a fixed schedule but by a system of appraisals which leaves room for lengthy arguments which slow up the process of distribution.

Motor Ferry Catches Fire

One of the motor ferries on the Hal tangh crossing which are over-worked and undernourished in the way of repairs caught fire this week and caused a panic among the passengers. Fortunately the boat had just put out and got to shore before any serious damage was done except that several passengers jumped into the water and three are reported to have drowned.

There have been so many accidents on the one-day bus run between Chungking and Chengtu that the service has been abandoned for the time being. Only a widened and macadamized surface will make such a service possible.

The foreign community all join in a message of sympathy to Mr. Chaucer Wu, special deputy from the Foreign Office, whose mother passed away this week.

The community is busy preparing a long tennis tournament for the early summer. Chungking is in the throes of its first heat wave of the season and the residents are casting longing eyes on the "seven hills".

APOLOGIES FOR MARINE'S JOY RIDE

Tsingtao, June 29.

The American Consul at Tsingtao called at the Kiaochow-Tsinan Railway Administration yesterday and tendered a formal apology for the damage wrought by an American marine who, on June 27 jumped recklessly on a locomotive and started driving it thereby crashing into three wagons on the track. The consul also declared the readiness of the American authorities to pay due compensation for the damage incurred.—Kuo Min.

WAR LORDS AND DOPE IN SZECHUEN

Danish Journalist on Life in the Provinces

SPECIAL TO THE "N.-C. HERALD"

The wandering feet of Henry Hellisen, Denmark's globe-trotting journalist, are temporarily at rest in Shanghai again, but before many days he will be off, this time to spend several months in America.

Last week he turned up here from West China, where he had reached the borders of Tibet, and he has already sent a series of articles about that region to his paper, the "Berlingske Tidende" of Copenhagen.

There was adventure spiced with danger on the trip Mr. Hellisen took by bus and chair from Chengtu to Tachienlu. Near Yachow he was nearly drowned when his bus missed a punt on a river to be crossed, and lodged on its side. He had to make an escape reminiscent of Houdini's feats, and all his provisions were spoiled, forcing him to subsist mainly on rice and hard-boiled eggs for the remainder of the trip. At a later stage, his bearers mutinied over some trivial misunderstanding about their rations. Language difficulties prevented Mr. Hellisen (who was travelling without an interpreter) from straightening the trouble and he spent a sleepless night quite expecting every minute to have his throat slit from ear to ear. But nothing happened.

Opium a Scourge

The opium situation in the province was appalling, Mr. Hellisen reported. On all sides were addicts, and his bearers paused at every den en route to indulge. It was not a question of people getting shot for smoking—on the contrary, they were threatened with punishment even with death, if they did not smoke and thus increase the revenue of the war lords. These gentlemen, he said, still rule the province in a frankly feudal manner and live like nabobs in palaces, with wives and concubines, while the population suffers. Poverty and disease are the common lot of the people. One of these days Mr. Hellisen will probably write a book called "War Lord," based on his personal knowledge of a number of the figures in various parts of China over a period of years.

The Danish journalist did not visit the famine areas, which were to the north of his route, but in Tachienlu he talked with a French priest who was there seeking food for his flock at Dawo. This priest, Father F. Doublet, related many shocking details about the famine conditions along the north Lhasa trail and told how some of the inhabitants had resorted to cannibalism in areas left barren by the communists, who even ate the seed which was to have been used for this year's crops.

In Tachienlu Mr. Hellisen also visited the well-known Scottish missionary couple, Mr. and Mrs. R. Cunningham, and the French Bishop Giraudeau, who at 88 still rides horseback although he has to be helped onto and off his mount. Bishop Giraudeau, now retired as Vicar Apostolic has passed 68 years on the Tibetan border and has never seen an automobile or a cinema. He has visited Chengtu, to be sure, but that was before the advent of motor-cars. He speaks finished French to the few foreign visitors who call at his house, and yet it is nearly three score and ten years since he left Paris for China.

Still Following News Scents

Mr. Hellisen, when he returns to Copenhagen from America at the end of this year, will have passed a year and a half abroad. To him China is an old story, but he finds it ever fascinating, ever stimulating to the international journalist. After some 25 years of reporting historic events and interviewing the world's great and almost-great, he has apparently not tired. He admits, characteristically, that he has an attractive house in Copenhagen, but during two years of ownership he has passed less than six months within its walls.

CHINESE GIRLS MUST WEAR HATS

Nanking, July 3.

Chinese school girls must wear hats in future, says a decree issued by the Nanking Government in response to a petition submitted by the wife of Mr. Wang Ching-wei, veteran Kuomintang leader and Chairman of the Central Political Council.

Madame Wang urged that, according to the Chinese code of propriety, it was indecent for young women to go bareheaded in the street. The Ministry of Education has therefore been instructed to design special headgear for school girls to wear as part of their uniform.

At present hats are scarcely worn by Chinese women. Girl Scouts, who don the regulation felt hat, are one of the few exceptions to the rule.—Reuter.

MILITARY PROBLEM IN NORTH KIANGSU

Unruly Sutsien Soldiers to Be Disbanded

FROM OUR OWN CORRESPONDENT

Sutsien, Ku, June 25. Brig.-Gen. Chang Hwa-tang's soldiers, who had behaved so well, and had done so much work on public improvements, have been moved from this city. The people here were sorry to see them go, and were even more deeply distressed to see their successors arrive. The new arrivals are members of Marshal Chang Hsueh-liang's Northeastern Army, which took part in the Sian mutiny in December.

These men came here via Pengpu. They are said to have come on foot most of the way from Sian, and they look as if they might have walked all the way out there and back. The horses and mules drawing the guns and carts are en route to the glue factory, and their appearance would seem to indicate that they will soon reach their destination.

Some of the higher officers seem to be courteous gentlemen, but the army includes large numbers of superannuated opium smokers, some of whom were bandits before joining the army. Perhaps their philosophy of life has not undergone any very profound change. The general belief is that the officers are under orders to reorganise this mob within a few weeks, which means that large numbers of the men are to be discharged. What will they do then? This question is a very serious one for the men themselves, and even more serious for the people of this district. Needless to say, there is great uneasiness among the citizens.

Good Harvest Gathered

The farmers of this district have harvested a good wheat crop; it looks considerably better than the average, although the grain is slightly shriveled. This crop is rather a surprise, in as much as the weather was very dry all winter. During the spring, some rain fell, enough to keep the crops growing, but not enough to fill the wells or streams. While the harvest appears to be in fine condition, the scarcity of water is becoming worse and worse. In some places the situation is desperate, the people have dug deep pits, from which they get a very limited supply of liquid mud. They use this for water, after allowing it to settle for a while, but fortunately, they have acquired the habit of boiling water for drinking purposes.

The water table in the ground is now much lower than usual. It seems that there is a layer of dry earth, perhaps averaging about 20 feet thick, between the surface moisture and the water table. The summer rainy season is due to begin soon, which should end the water famine.

An anti-opium meeting was held on the city playground recently; speeches were made, of course, and many opium pipes and other implements were smashed. There was a bonfire of smoking outfits, and it was reported that some opium was burned, but it is impossible to obtain reliable details.

After the meeting, a big parade passed through the streets, and later speakers went about the city and neighbouring villages, exhorting the people to beware of opium. At night, some persons appeared on the streets, disguised as opium fiends in advanced stages of degradation. Their purpose was to warn the people of the evil consequences of the opium habit.

Crime Rampant

One night recently, three men entered a tiny shop outside the city gate. They were not in uniform at the time, but the people say they were soldiers. They had a pistol and a sword and searching the premises, took all the money they could find, except coppers, which were evidently too heavy or bulky. The money amounted to about \$8.75, not a very large haul, but enough to distress the shopkeeper. Other petty incidents have been reported—some persons are afraid to walk on the streets at night and several men were held up and robbed, while women and girls suffered a worse fate.

The situation in neighbouring towns and villages is far worse than here in the city. Robberies on a small scale are very common all over the district, and the local people are in sore distress. A small mutiny of about 200 soldiers has been reported, several miles west of Sutsien, several houses being looted.

However tactfully and firmly this situation may be handled, it certainly contains some tragic possibilities.

In view of the growing number of foreigners visiting North China, the Hopei-Chahar Political Council will shortly open an office for the registration of foreigners in Peiping, says a special despatch to the "China Times."

SUMMER CAPITAL OF THE PUBLIC

Kuling Host to Thousands Of Visitors

FROM A CORRESPONDENT

Kuling, June 27. During the winter and early spring Kuling was buzzing with activity as official and civilian groups were rushing their building programme in order to meet the huge influx of Government and foreign and Chinese civilian visitors. It has justly been said that this mountain establishment has become the summer capital of China.

The Bureau of the Lushan Administration have been getting the public roads in order, building new bridges, improving the drainage and planting trees, grass and flower beds throughout the former Kuling Estate. The biggest improvement perhaps is on the hillside round the new Government buildings, where thousands of trees have been planted, and the grounds cleared—also the entrances to the buildings have been improved very much.

The old bathing pool at the south end of the valley is being re-built with a storm drainage on one side, while stream water is to pass through sand and gravel filters before entering the pool—thus it is expected that water will be quite safe for swimming purposes. The Luling Swimming Pool has been put into good order, so as to ensure a continuous supply of fresh water the whole time. The sun baths and shower baths were a great attraction last summer. At the community swimming pool near the club, men's dressing rooms have been built, and extra accommodation supplied. The tennis courts are being put in order by the Recreation Club.

In the Gap, the most noticeable improvement is the fine cut stone pavement which has been laid, also on the Kuliang road section. The road has been widened in many places, which now makes an excellent thoroughfare.

Electric Lighting System

There are several electric lights on the street, the power being supplied from the Government buildings temporarily until the new electric light plant is in working order. The Authorities expect to have electric light available about July 1 or a little later. While the need of foreign visitors does not seem very great at present, it is expected that Kuling is going to be crowded this summer.

The Fairy Glen Hotel has been reserved entirely, as a large part has been set aside for Chinese officials and others, who are here for the Government conferences. The Redcroft Summer Hotel is not to be opened this season, but has been rented to the Government. A new auditorium and a large dining hall have been built by Nanking for the men who will occupy the large Government building and receive different training courses. These visitors will come from all the provinces and will number in all over 1,000 men.

As will be seen from the Press the Generalissimo and Mme. Chiang are living in their own bungalow—they are kept very busy with official affairs. Gen. Feng Yu-hsiang is also in residence, being frequently seen about the hill and many other important Government people will be arriving in a few days, which shows that Kuling is now the summer capital of the Republic.

Graduation Exercises

The Kuling American School has just closed for the summer vacation, the commencement exercises having been held in the Auditorium and for the graduation and presentation of prizes, the hall was well filled with parents and visitors. A special commencement service was held in the Church of the Ascension, and in there was also a dinner at the school for graduates and visiting parents.

NORTH-WEST EXPEDITION LEAVES PEIPING

Peiping, July 1. The North-west Expedition Expedition, consisting of 147 members, left for Pingliuchuan by train early this morning. Despite the pouring rain, there was a large gathering at the Chien Men Station to see the expedition off.

The expedition is divided into five groups, who on arrival at Pingliuchuan, will separate, each being designated to study a different subject. Four of these groups will confine their investigations to Suiyuan, while the fifth section will probably visit Ninghsia. The expedition expects to spend a month in the field, but this may be extended.

Members of the expedition were entertained at a tea given by the Mayor, General Chin Teh-hun, yesterday afternoon at the Hual Jen Tang.—Reuter.

TSINAN'S SWIMMING BATH COMPLETED

Very Popular Though Not Scientifically Built: Memorial to Famine Relief Donors

FROM OUR OWN CORRESPONDENT

Tsinan, June 19. Tsinan's chief public park is called the Chihntehui. Owing to the dryness of the climate there is no grass to make this place look park-like to Western eyes, but a number of trees provide welcome shade, while a variety of shrubs and potted plants beautify the grounds.

Amusements of several kinds are provided for visitors. There is a small courtyard where several shabby-looking animals drag out a dull existence; a leopard, tiger, some young fox, a snake, monkeys and a small alligator are the chief exhibits. There is one curious creature, a cow with six legs, four normal ones and another attenuated pair growing out of the animal's shoulders. This cow, the attendant is proud to inform enquirers, is a native of Shantung. A handsome peacock and some gaudy parrots are the most attractive features of this zoo, which is much patronized by the people of Tsinan.

Billiard tables, pingpong tables, a bowling alley and a place for dart throwing occupy separate buildings. Not more than a year or two ago a large auditorium was erected in this park at a cost of \$50,000, but this is only used for special public meetings or theatrical performances. The design is quite modern, showing the straight lines so much used in

recent European architecture. The facade is a handsome stone affair, but the sides and back do not quite live up to the promise of the front in the matter of appearance.

Swimming Bath Added

The most recent addition to the public recreation ground is a swimming bath, of which Tsinan is justly proud, for it is the first covered pool in North China. A special architect was employed to design this bath, but, unfortunately, he was not experienced in this particular type of building. The roof is made entirely of glass, so that on sunny days the light is blindingly bright and the place feels like a hot-house. The tank is deep and roomy, too deep, indeed, at the shallow end for the convenience of learners. The usual diving-stand and springboard are there and seem to be well used. Dressing boxes run down the two long sides of the building. Two cold showers stand beside a little booth which sells ice-cream or hot tea to bathers and onlookers.

The students seem to enjoy this swimming pool, for it is crowded every day. The charge for swimmers is 20 cents, but a spectator only needs to produce a 5-cent piece to obtain admission. These charges are, of course, over and above the 5-cent fee for entering the park grounds.

The bath is open five days a week, Wednesday to Sunday, for men. Monday is reserved for ladies, but how many will avail themselves of the privilege after they have found out that the water is only changed once a week and that the changing day is Tuesday?

Apparently the job of emptying and refilling the tank takes a considerable time, for no one is admitted between Monday evening and Wednesday morning. The bath is filled with water pumped from Paotouchuan, the springs which provide Tsinan with its bountiful water supply.

No Compulsory Shower Bath

Enquiries regarding the rules of the swimming bath elicited the answer that there was no compulsory shower bath or foot-washing before the swimmers enter the public tank. Indeed, the absence of such regulations was regarded by the attendant as an additional inducement to join those enjoying the water. He seemed quite astonished to hear that most public baths insist on such personal cleansing as a preliminary to using the large pool. All the bathers wear decent costumes, so there would seem to be some regulation concerning swimming dress.

Tsinan has one other public swimming place—a much smaller, open-air bath, constructed out of part of the old moat, at the southeast corner of the city. This bath has one advantage, in that it is fed by running water from the little river formed by the overflow of the same springs which supply the new tank. This small swimming pool is over two miles from the Chihntehui.

Tsinan is full of young men, students, clerks and shop-assistants. In providing a healthy summer recreation for them one feels that the \$45,000 needed to build this new swimming bath was money well spent, judging from its popularity, the investment will prove quite a profitable one, although the entrance charge is so low.

Famine Relief Memorial

There is one other addition to the Chihntehui buildings which immediately attracts the attention of a visitor. In the centre of the grounds, raised on a circular stone terrace, approached by flights of steps, stands a handsome monument. This erection is put up in regular classical style, pillars, dome, balustrades, all complete, just as if Wren had awakened from his long sleep to prepare the plans. The job is really well done.

And what is the reason for this memorial? It will hand down to posterity the names of all those who contributed towards the relief of floods of 1935. During the winter 1935-6 these poor folk were distributed to many hsiens in Shantung, and large sums were collected for their support. Tsinan took more than its share of responsibility. Now this handsome limestone monument, like a miniature of the one of St. Paul's or the Capitol, stands there to remind future generations of what their fathers did in the flood year.

Thousands of names are inscribed on the walls of the lower story. Between the panels bearing these names are large stone tablets carved with pithy sayings of Governor Han Fuchu, the Commissioner of Education and other notables.

Posterity may appreciate this memorial to the generosity of its forbears, but will it ever wonder whether the \$17,000 spent in its erection would not have been used more effectively on the flood sufferers for whose support it was originally subscribed?

MILLIONS FOR FLOOD PREVENTION

\$7,000,000 Set Aside for New Fiscal Year

Nanking, July 4.

A sum of \$7,000,000 will be expended for water conservancy during the new fiscal year, July 1, 1937-June 30, 1938, according to a decision reached at the 8th general meeting of the National Water Conservancy Commission under the National Economic Council held here yesterday.

A general report on water conservancy in 1936 submitted by the secretary and a report on flood prevention work for the Yellow River submitted by Mr. Kung Hsiang-yung, Chairman of the Yellow River Conservancy Commission, were adopted. The implements of irrigation employed by farmers at present are to be collected and improved, with a view to improving the system of rural irrigation.

A sum of \$586,170 is to be included in the new budget for water conservancy for the improvement of the upper and lower reaches of the Yellow River during the first stage.

At the request of the Yellow River Conservancy Commission, a sum of \$850,000 is also to be included in the budget for readjustment of the river bed at Tungwachi.

It was also decided to make preparations for the establishment of a Central Soil Experimental Station and to engage the services of foreign experts.—Kuo Min.

WALL CAVES IN AT CHUNGKING

Many Perish After Heavy Rains in District

Chungking, June 28.

A portion of the city wall of Chungking at Chaotien Gate, weakened by torrential rain which fell throughout Saturday night, caved in yesterday, causing heavy casualties among the residents in that area. Up to the present 40 corpses have been discovered among the ruins while over 90 persons, suffering from various injuries, were rescued.—Kuo Min.

Yellow River Rises

Kweihua, June 28.

Owing to heavy rainfall in Suiyuan during the past week, the Yellow River has risen several feet. Most of the fields in Linho and Paotow, western Suiyuan, are inundated. The Suiyuan Provincial Government has instructed the District Government's concerned to take precautions against flood.

Torrents pouring down from the mountain-side in the Peiping-Suiyuan Railway zone are impeding traffic. Trains yesterday were delayed two hours.—Kuo Min.

EARTHQUAKES IN FOOCHOW

Flood-Stricken City Suffers Another Calamity

News of further floods and an earthquake in Foochow follow reports of the havoc wrought by floods in Chungking, near Hangchow and in the provinces of Fukien and Suiyuan. A Chinese message from Foochow states that an earthquake which lasted for two minutes occurred there at 1.40 p.m. on June 28. Little damage is said to have been caused, although roof tiles were dislodged and crashed into the streets.

During the tremors, the people fled from their houses, fearing that a new calamity was about to afflict them in addition to the floods which are affecting the Fukien capital with the rising of the Min River and its tributaries. Houses have collapsed as a result of the floods, with articles of home furniture and farm implements mingling with the bodies of the drowned.

Another Chinese message, from Hangchow, declares that over twenty districts in East Chekiang have been flooded, including Haining, Yuhwan, Chiashan, Chuchi, Sincang, Linghai, Chienteh, Hwangyah and Chenghsien. Reports that part of the Chekiang-Kiangsi railway in the vicinity of Chuchi has been disrupted by the flood waters are confirmed, and it is believed that it will be four or five days before repairs to the line can be concluded and the service resumed.

The district of Chuchi, incidentally, is said to be the worst affected, flood waters having invaded the city itself to a depth of three feet. A great deal of damage has been done to the crops, with consequent gloomy prospects for this year's autumn harvest.

The bus service on the Hangchow-Tunglu and Hangchow-Chunan highways has been suspended.

CANTON CURRENCY REFORM

National Notes Replace Provincial: Rail and Harbour Development

FROM OUR OWN CORRESPONDENT

Canton, June 25.

In six short months Kwangtung provincial and Municipal Banknotes will disappear and from yesterday the Provincial Bank ceased giving out its currency. The retirement of local notes is to be left entirely to the three big banks of Nanking and Shanghai which have as their special prerogative the printing and circulating of recognized Chinese National Currency. Twice per month they will make a report on the progress that has been made in retiring this local money. From each bill a corner will be snipped, and these corners will go back to the Provincial Bank as its proof of the accuracy of the reported figures.

There is \$337,849,000 in Provincial Banknotes outstanding and from January 1 they will cease to be legal tender. Merchants and others will not dare thereafter to express in any written agreement the consideration in terms of these Provincial or Municipal notes, for if they do the agreement will be looked upon by the courts as of no binding effect.

Silver is conspicuous by its absence in the big cities and towns of Kwangtung Province; scarcer than before, it remains the favourite medium with the farming class, and in many rural sections the prevailing bartering medium is about half piao and half specie. An extra spurt is on to diminish the subsidiary coinage in popular use to the vanishing point, and new restrictive measures of the Ministry of Finance have just been promulgated in Canton. Whenever a silversmith retires from business he may not let his wares fall into other hands, but must dispose of them direct to the Provincial Bank, which will melt up the vases and spoons for the Government's content. Pawn shops, moreover, which have taken articles made of silver must bring them to the government depository if not redeemed within the statutory period.

Concerning itself only with its own problem, that of the pay of the civil servants, the local Government has announced that its employees will get in national notes 80 per cent. of what they are drawing in Provincial or Municipal banknotes. Merchants generally concede that and not 80 per cent. is what a worker's wage should be when national currency instead of local notes are circulated.

City Borrows \$6,000,000

Borrowed from Shanghai and Canton bankers, Mayor Tsang of Canton has \$6,000,000 to make overdue payments to its contractors, and to get the public works, which they had to hold in abeyance because of the Government's poverty, started again. Employees of Messrs. McDonnell & Gorman, the American engineering corporation that holds the contract for the building of the Wongsha Railway bridge, and of a Chinese concern that is developing the inner harbour of Canton, have had to hold off the landlord and the grocer month after month. Workmen have barely had enough rice to exist on. Growing unruly the Shantung men with McDonnell & Gorman marched in a body to the house of one of the company officers in the Shamshui district about two weeks ago, wanting to turn the residence into a dormitory till they got their back wages. They were persuaded to vacate by the police superintendent of the British Consession, the promise made being kept that the Consul should give them a hearing next day. When the Mayor heard through the American Consul-General of the bad fix of the workmen he secured several hundred dollars to give temporary relief.

This railway bridge will link the Canton-Hankow and the Canton-Samsui Railways which eventually will join Kwangtung with Kwangsi. When the inner harbour development project gets going once more there will be built wharves and godowns, more lots are to be filled in, and a retaining wall will be built to enlarge the bund in Honam, across the Pearl River from Canton. Land was bought up from private owners for a civil aviation field in Honam, and now the field with hangars and equipment is to be finished.

Whampoa Port Progress

The major concern of the Government for the nonce is the Whampoa port. So that trains can come from Hankow right up to the quays where ocean-going liners are to discharge their cargo and passengers, a spur line of the Canton-Hankow Railway is being built outside of the city limits north of Canton.

An American bank is reported to have underwritten the whole block of Whampoa Port Development Bonds, totalling U.S.\$7,000,000, and from New York a consulting engineer has come to give his experience and brains that Whampoa may become a real port.

SILVER JUBILEE OF KAILAN MINES

British Ambassador's Toast at Tientsin Dinner

Tientsin, July 1.

The Kailan Mining Administration to-day celebrated its silver jubilee with a reception attended by all prominent Chinese and foreign officials here. This followed a banquet at the Astor House last night at which the British Ambassador, Sir Hugh Knatchbull-Hugessen, was the chief guest. Leading members of the staff came here from the mines and Chinwangtao to participate in the celebrations.

Proposing a toast to the Kailan Mining Administration at last night's banquet, the British Ambassador praised the triumph of the concern over the difficulties of a quarter of a century in which, he said, it had not been coddled by fate. To-day, he continued, the K.M.A. was a great, prosperous organization performing outstanding social and industrial service and reaping the fruits in the spirit of mutual co-operation and understanding on which the whole foundation rested.

The Ambassador concluded with a cordial tribute to the care and consideration given by the K.M.A. to its workers and to the enlightened welfare work among the miners, which, he pointed out, included modern housing, educational, medical, recreational and other facilities.—Reuter.

MILLIONS HANDED OVER TO CANTON

Carrying over \$60,000,000 legal tender notes, the Customs cruiser Liez Hsing arrived in Canton safely on Friday, according to a telegram received from the south on July 3.

The money, contained in over 300 wooden cases, was placed on the heavily armed vessel alongside the Customs Jetty here on June 24. It has been handed over to the Canton branches of the three Government Banks, the Central Bank, the Bank of China and the Bank of Communications.

The legal tender notes are to replace Kwangtung's small money currency. Measures for the conversion were announced by Mr. T. V. Soong at his recent visit to Canton, the ratio decided upon being \$144 Kwangtung small money to \$100 legal tender notes.

Pending a final decision, all commodity prices in Kwangtung will be quoted in national currency. The Chinese Chamber of Commerce in Canton will hold a meeting on Tuesday to discuss the question.

GERMAN AMBASSADOR HURT IN FALL

Dr. Oskar Trautmann, German Ambassador to China, had an accident on June 29, says a special despatch to the "Lib. Pao" from Peiping. Dr. Trautmann was returning to Peiping on horseback from the western suburbs, when his horse suddenly took fright, got out of control and threw him to the ground, causing serious injuries to his legs.

A total of 430,000 copies of Gen. Chiang Kai-shek's "Sian: A Coup d'Etat" (Chinese version) was sold in the first month of publication.

CONSCRIPTION BEGINS IN NANKING

Hopes for 40,000,000 Men in Country-wide Training

Nanking, June 30.

Able-bodied male citizens here between the age of 20 and 25 are being drafted for military service as part of a nation-wide conscription programme which, it is hoped, will eventually have 40,000,000 able-bodied persons under military training in this country.

While no definite figures can be obtained at the present moment, city authorities estimate that there are 30,000 men in Nanking between the ages of 20 and 25, but only 10,000 men will be included in the first draft. The city government has issued a lengthy statement explaining to the public the "necessity and advantages" of conscription and giving the full text of the conscription law.

Foreign countries, it says, maintain comparatively small standing armies, thus keeping down their annual military expenditure to a minimum, but, because of their conscription programme, they are able to organize immediately millions of fighting men to defend their countries in times of national crisis.

As to dwelling on the disadvantages of a mercenary army, the statement emphasizes that conscription was always enforced in China by ancient dynasties.

With 40,000,000 able-bodied citizens having gone through full army training, the statement proceeds, China will be ready to defend her rights in the event of foreign aggression.

Under the conscription law, all able-bodied persons between the age of 18 and 45 will have to undergo military service. They will be divided into four groups, according to their ages, namely, 18 to 20; 20 to 25; 25 to 40; and 40 to 45.—Reuter.

PEIPING "PICTURE BRIDES" LEAVE

20 Girls to Wed Emigrant Settlers at Wuyuan

Peiping, July 1.

The Chinese "picture brides" selected among from the inmates of the local Chi Chi Yuan or Door of Hope to marry twenty Chinese emigrant settlers at Wuyuan left for Paotouchen this morning, travelling on the same train with the members of the Northwest Investigation Expedition.

There were touching scenes at the Chi Chi Yuan early this morning when the brides bade farewell to their friends. They were conveyed to the Chien Men Station in a municipal bus placed at their disposal by the Bureau of Social Welfare.

Despite the rain, a number of interested spectators, gathered at the station to see the brides off. Mrs. Tuan Cheng-wu, wife of the Chairman of the Northwest Colonization Association, is in charge of the party. The party is expected to arrive at Paotouchen to-morrow morning. Pending their marriage at a mass wedding on July 15, the girls will be the guests of Mrs. Tuan at Paotouchen. After marriage they will go to Wuyuan and assist their husbands in colonization work.—Reuter.

Two Live Pandas Captured

Lifan Woodcutter's Rare Catch

In 1928 the Kelly-Roosevelt Expedition spent U.S.\$100,000 just to shoot one giant Panda. Last year, Mrs. William Harkness arrived in Shanghai, hugging a baby model that she had captured north of Chengtu—eight days' journey, to be exact—and which was the first one believed to have been captured alive. She kept it in the Palace Hotel for some time before she eventually received permission to take it with her to the United States.

Now both their efforts fade into insignificance with the Chinese report of the capture by a woodcutter of two fairly adult pandas, a male and a female, in the forests around Lifanting, a city a few kilometers north-west of Chengtu. Mrs. Harkness's panda weighed a few ounces under 5 lb. when captured.

Giant Pandas to be Bred in Szechuen Mountains

Confirmation of the capture of two full-grown Giant Pandas, was brought to Shanghai by Mr. Henry Hellisen, Danish journalist, who has just returned following a trip to the Tibet border, through Szechuen and North China.

The pandas, were caught by trappers employed by Mr. Floyd T. (Ajax) Smith, the well known zoologist. The paw of one was slightly injured in the trap, but the animal is now reported to be well.

At present kept in captivity in an upstairs room in the residence of Mr. Albertson of West China Union University in Chengtu, they are to be removed shortly to a preserve in the Szechuen mountains. Here Mr. Smith, in whose possession they are, hopes to breed them in their natural surroundings.

The woodcutter's captures weigh considerably more. The male panda weighs over 200 kilograms (about 44 lb.) and the female over 100 kilograms (about 220½ lb.). He immediately built a cage in his hut, and has found himself to be a very popular man, people coming from far and near to look at the rare animals.

"Certain foreigners," concludes the report, have offered the woodcutter high prices for the pair, but for reasons of his own the woodcutter has so far refused to part with them. He may be holding out for a higher price, it is true, but on the other hand he may be a true collector, a man to whom possession of something rare means more than its mere monetary value.

"WHITE JADE FROST" BACK IN PEIPING

Ban on Chinese Actress is Reported Raised

Peiping, June 29.

After an enforced absence of more than three years Pai Yu Shiang or White Jade Frost, the well-known Chinese "Peng Peng" actress, will shortly appear on the Peiping stage again, according to information from Chinese sources.

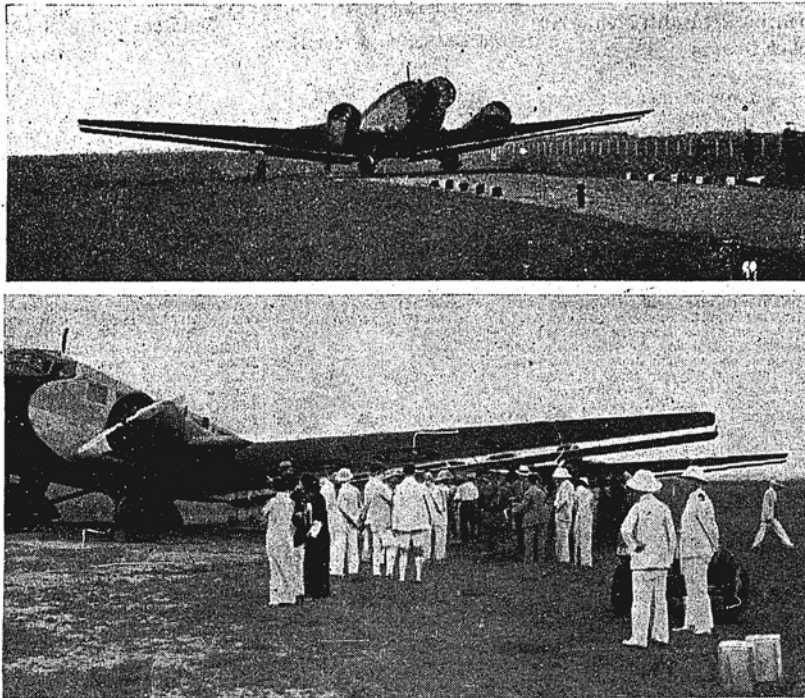
She returned from Tientsin at noon to-day and confided to Chinese reporters that the municipal authorities had considered favourably her recent petition for the removal of the ban on her stage appearances in Peiping, and that the ban would be rescinded provided she signed a statement pledging herself not to appear in those plays deemed detrimental to good morals.

Pai Yu Shiang further said that she had decided to comply with the conditions laid down by the municipality and that she expected to appear at the Kwang Teh Lou outside the Chien Men early next month.

A favourite and idol of thousands of Chinese theatre-goers in the Tien-chiao district, Pai was expelled from Peiping by Colonel Yuan Liang, then Mayor, about three years ago because he took exception to some of her plays. She went to Hankow and Shanghai, where she scored an immediate hit with the Chinese public. Later she tried to open a season in Nanking but there the authorities banned her plays and forbade her appearances.

Returning to Shanghai she repeated her successes. Early this year she quarreled with her foster mother and came to North China. At first the local authorities refused to remove the ban imposed by Colonel Yuan Liang but have now reconsidered their decision.—Reuter.

FIRST EURASIA FLIGHT FROM PEIPING TO HONGKONG



The first Peiping-Hongkong flight by the Eurasia Line was made on June 28, the two cities being linked up in 12 hours. These pictures show the giant plane at Hankow pausing on its way to Hongkong.

PEIPING-HONGKONG BY AIR

Eurasia 'Plane Inaugurates Lengthy Service

Hongkong, June 29.

An uneventful flight, carried out almost exactly according to schedule, marked the inauguration to-day of the first one-day passenger and mail service between north and south China, linking Peiping and Hongkong. The flight, carried out by the Eurasia Aviation Corporation, which is operating the new service, was completed when a fifteen-passenger black and silver monoplane glided down at the Kai Tak aerodrome here exactly twelve hours and 31 minutes after passengers and mail had left Peiping at 6.04 this morning. It landed here at 6.35 this afternoon, twenty minutes after the scheduled time.

The plane covered the 1,455-mile journey here via Taiyuan capital of Shansi, Chengchow, Hankow, Changsha, capital of Hunan, and Canton. The plane departed from Hankow fifteen minutes late and lost another fifteen minutes at Changsha because of a delay caused by the official reception there.

Change of Plans

A last-minute change of plans caused a change in the original schedule whereby passengers and mail from Shanghai were to have been taken aboard the Peiping-Hankow plane at Chengchow. The plane from Shanghai, instead of going to Chengchow, flew direct to Hankow, the journey there taking only three hours and twenty minutes.

At Hankow the air mail and passengers from the Peiping plane were transferred to the Shanghai machine, which completed the inaugural flight to Hongkong.

With the inauguration of the new service, Hongkong has become more than ever the Crocydon of the East, for it is now the terminus of air services which connect with all parts of the world.—Reuter.

TIENTSIN MARRIAGE LAW TANGLE

Rome, July 1.

The Supreme Court of Cassation to-day will begin hearing of an unprecedented appeal arising from the action of a civil court in Florence which rejected an ecclesiastical annulment granted in Tientsin of the marriage of Signor Antonio Riva and Senora Emilia Corradi.

The appeal was based on the grounds that prior to their marriage in Florence in 1921 the two parties signed an agreement to prevent procreation after their marriage.

The Tientsin court granted the annulment on the grounds of "lack of accord." The Florence court refused to annul the civil marriage on the grounds that the marriage contract could not be broken or affected by "mental reservations."—United Press.

DEATHS OF 4 CHINA MISSIONARIES

Three C.I.M. Veterans Among Those Who Have Passed

London, July 1.

The death has occurred of the Rev. J. C. Curnow, former pioneer missionary in West China.—Reuter.

The China Inland Mission recently received news of the passing of three veterans who have been for some years retired in England.

Mrs. S. Clarke came to China in 1878 and served for many years with her late husband in the province of Kweichow. She died on June 1.

Mrs. G. F. Easton, who is survived by her husband, arrived in this land in 1881. Mr. and Mrs. Easton undertook missionary service in the North-west and retired home in 1930. Mrs. Easton's death occurred on June 28.

Mrs. J. M. Hayward, the widow of a late Treasurer of the Mission and at one time known to many in Shanghai, was in China from 1889 to 1916. After Mr. Hayward's death she served on the Home Staff of the Mission in London until her health became impaired. Recently she has been cared for in the Mission's London Nursing Home. She died on June 28.

PEIPING UNEASINESS MOUNTS

Alleged Agitators Arrested in Old Capital

Peiping, July 2.

Uneasiness in Chinese political circles is mounting over the activities of plainclothes agents, many of whom have been arrested during the past few days, including two found loitering last evening in the vicinity of the offices of the Hopei and Charhar Political Council.

Two of those taken into custody are alleged to have confessed that they had been employed to create disturbances during the elections to the National Assembly, which will meet in Nanking on November 12.

Precautions which may be described as semi-martial law have been enforced here since June 28. Persons found in the streets late at night are liable to be searched at the point of the bayonet, while units of the 29th Army have been brought into the suburbs from Nanyuan and other points.

Japanese sources declare there is no foundation for the Chinese alarm, but point out that the officials here are naturally anxious over the prolonged absence of General Sun Chieh-yuan, chairman of the Hopei and Charhar Political Council, in Loling, Shantung.

This is generally attributed to the General's desire to escape Japanese pressure for the implementation of economic concessions, including the right to construct the Tientsin-Shih-chieh railway.—Reuter.

CHEKIANG IMPROVES SERI-CULTURE

Kashing's Crop Valued at \$4,000,000

FROM OUR OWN CORRESPONDENT

Kashing, Che, July 1.

The steady demonstration of improved silk culture by government agencies followed by supplies of disease-free eggs have resulted in better quality of cocoons and a higher percentage of successful crops as compared with the old methods. The damp, cold spring with early summer was very trying to the silkworms and there were many failures among the stubborn, conservative farmers persisting in old methods, while some following the new, but ignoring instructions, also lost. The writer was informed at one of the banks, that \$4,000,000 was required to move the new crop. Consequently on this distribution of money, trade has improved and merchants are more cheerful.

Because of so much rain, the early rice has grown rapidly without irrigation, while the late planters have been delayed by the weather.

Schools are closing for the summer vacation. Increasingly strict examinations make it necessary for a number of students to attend summer classes in order to make up their grades.

The ingenuity of the Chinese in adapting Western inventions to their own use is seen in placing a crude oil engine in one of the so-called Haoshing fast boats. With four men rowing these boats can make five miles per hour, with engine, from seven to ten miles, fully loaded at less expense. Similarly, instead of the foot-tread water pump for irrigating, a shallow draft boat with engine can flood a number of farms in one day. Farm owners prosper, but labourers suffer by it.

Road Construction

In addition to the broader highways, the government is constructing a number of so-called military roads much narrower, connecting the larger market towns and populous country districts. Increasing numbers of private motor cars, now come to Kashing via Soochow; others from Hangchow via Haining to Kashing, returning via Huchow. Trees planted along the highways are growing rapidly with a prospect of more shade and less dust. That nothing may be wasted, farmers with ponds, feed snails to their fish and the shells are spread on roads.

With several city streets widened and levelled, the bicycle craze has come. Not merely boys and girls, young men and young women, but even plump matrons are out on the wheels of progress. Awkward accidents are frequent, but so far, no lives have been lost in the merry round.

The usual Chinese home has a large brick range for cooking, but now the modernized young house-wife wants one of the new-style stoves made of sheet iron and lined with fire-clay.

Much is said and written of China's changing customs. A rather curious one is observed here. Forty years ago the favourite method of suicide was a little raw opium easily and cheaply procured; the candidate for oblivion, sometimes with, often without, announcing his or her intention went into a sleep, a stupor and then the exit. Family, friends and even enemies were much excited over it.

With opium prohibited, red phosphorus matches became the vogue, in spite of the prolonged agonies. Now, those in a hurry jump from high places, plunge into deep water or fall before an oncoming train. Those leisurely inclined, register at some hotel for a night, take a poison and leave their remains for the proprietor or the nearest hospital to dispose of as best they may. The birth-rate is such, however that China has no problem of race suicide, only an occasional and individual affair.

As this section emerges from the depression, repairs on old and erection of new buildings cause a scarcity of skilled workmen with a rise in the prices of materials.

bound because our Government has bungled monetary relations with China. Something to improve our contacts probably still can be done if China desires funds to improve herself.

"From our position as the world's banker with a tremendous gold supply, we possibly could assist her. I favour leniency in credits to China for the purpose of ascertaining what her leaders can do if afforded the opportunity.

"I also am favourably inclined toward some trade agreement with China. Her large population affords great trading possibilities. If there is any truth in the theory of the Secretary of State, Mr. Cordell Hull, that in order to sell we must buy, then I would be inclined to grant China greater concessions than other nations in the hope of developing large and mutual trade."—United Press.

MISSING HONGKONG BRITON FOUND

Mr. D. W. Wagstaff Located by Water Police

Hongkong, July 5.

Last seen on Saturday evening in his yacht anchored off port shelter, Mr. D. W. Wagstaff, manager of the Hongkong branch of Messrs. W. W. Wagstaff & Co., has just been located at Shaikwan "safe and sound," according to water police to-day. No further details were given in the police report except that Mr. Wagstaff's yacht was within harbour limits.

Apparently the yacht had been caught in the rough weather over the week-end and probably took shelter in one of the outside islands.

When Mr. Wagstaff failed to return from his yachting cruise, police immediately conducted a search on land and water for him.—Reuter.

CHINA PROGRESS PRAISED

Great Leniency in Granting of Credits Favoured

Washington, July 1.

Mr. Warren L. Pierson, president of the Export-Import Bank who recently made a tour of inspection of China, to-day praised the progress in the unification of China. He reported he had received an extremely cordial reception throughout his long tour in China.

"My general impression," Mr. Pierson told the United Press, "is that China's unification programme has progressed. Railways, which I particularly studied, showed progress. I felt that the Minister of Railways, Mr. Chang Kai-ngau, was following a very constructive programme of rail development. Because of the geographical similarity of China and the United States, their railway problems are similar to ours and they now are confronted with problems which we already have conquered.

"I enjoyed my conversations with Mr. T. V. Soong on the operations of China's currency system. In Peiping I had a pleasant talk with Dr. Hu Shih and at Nanking with Dr. Franklin Ho. I also had the honour and pleasure of meeting Madame Chiang Kai-shek and Madame H. H. Kung."

Mr. Pierson pointed out the development of the Canton-Peiping railway connections and cited the ease of flying by aeroplane from Hankow to Chungking compared with the old modes of travel in China.

More Leniency Favoured

Mr. Jesse P. Wolcott, Republican Representative from Michigan, told the United Press, "China's attachment to gold under her new monetary programme, and association of her currency with the dollar and pound sterling is constructive and encouraging. However, I feel that China in effect is more closely linked to the

GRADUATION DAY AT CHELOO UNIVERSITY

Splendid Exercises Mark Tsinanfu Event: Gen. Han Fu-chu Lauds Scholarship

FROM OUR OWN CORRESPONDENT

Tsinanfu, June 22. Cheelo University has just rounded off another year of work by graduating 114 students. The closing exercises occupied more than one day, culminating in the presentation of diplomas and degrees during a ceremony held in the Whitewright Memorial Institute on June 21.

The Cheelo Theological College stands on the University campus, but it is not a part of the university as registered under the Nanking Government, so its graduates have a ceremony, apart from that of the general university. This took place on June 15 in the Kumlur Chapel. At this service a splendid address to the graduating class was given by the Rev. E. H. Ballou, Secretary of the National Christian Council, on "The Place of the Church in the Christian Movement." His words were full of encouragement to the young men about to take up a work of service within the church.

At the conclusion of the address four students who had completed their course received the degree of Bachelor of Theology. The recommendation for degrees was made by Prof. S. C. Lo, and the degrees were conferred by the Principal, Dr. Charles Stanley. A handsome, leather-bound Bible was presented to each graduate by Prof. W. B. Chang on behalf of the United Bible Societies.

Baccalaureate Address

On June 20 the Kumlur Chapel was again well filled for the Baccalaureate Service. The graduates, followed by members of the faculty and administrative staff, walked in procession through the campus from the administration building to the church. The service was in the hands of President Shumung T. Liu and Dr. H. R. Williamson. In his admonition to the graduating students Dr. Liu spoke on "Characteristics of an Educated Man." He reminded his hearers of St. Paul's words, "now we know in part" and urged them to remember that they were only at the beginning of knowledge and that continued study was necessary throughout life.

The procession into the hall came on the next day. When the usual preliminaries were over Dr. Liu introduced Mr. Y. T. Li, president of the National University, Peiping. Mr. Li, who is a graduate of Columbia University, spoke in a pleasant, clear voice, audible all over that large hall. After congratulating the graduates, he went on to drive home the message which Gen. Chiang Kai-shek gave to all students of China a few days ago.

New Spirit in Education

Mr. Li spoke of the large number of university men and women who preferred to remain in the large cities, and he urged the young people before him not to be afraid of the hard work in the rural districts, which are crying out as never before for trained help. There has come a new spirit, he said, into education. Formerly the university graduate had thought chiefly of self, how much money could he make, to how high a position could he attain. Now the emphasis was not on self but on service—service for one's country and her needy people. Each year the nation was spending more and more money on education. Surely, he urged, young, educated citizens should be eager to aid the Government in serving the common people in the country as well as in the city.

Diplomas Received

Then the long procession of graduates began to ascend the platform, each student being called up by the head of the department to which he or she belonged. First the students of physio-therapy, nursing, pharmacy and wireless courses received their diplomas. Then followed the students of arts, science and medicine, each of whom received the university hood in yellow and gold, edged with white for arts, yellow for science and green for medicine.

Some amusing unheeded effects took place during the capping ceremony. At the President's request the arts students—there were 46 of them—came onto the platform in quick succession. So quick, indeed, were they that the Registrar was unable to cope with his duty of putting on the hoods and re-arranging the tassels on each cap, so one of the deans stepped up to assist him. A certain girl graduate, having arranged herself mannequin fashion in full view of the audience, quietly ignored the repeated efforts of the registrar's helper, preferring to remain in the bright light of the front stage and receive her hood from the proper person! Another girl had difficulty in managing an ill-fitting "mortar-board." Several times it gave her trouble, and a good-natured laugh

rose from her fellow students when at last the thing almost fell to the floor as her hood was slipped over her head.

Official Congratulations

Gen. Han Fu-chu, Governor of Shantung, was present in person and congratulated the students on having reached the goal of their scholastic ambitions. His speech was followed by a few words from Mr. Ho Szu-yuan, Commission of Education for the province. Money awards to students showing a specially high degree of scholarship were awarded by Mr. Chang, head of the Reconstruction Bureau.

Again the procession formed and the array of gowns and hoods passed down the hall, the staff going out to a well-deserved vacation and the graduates to take up their future careers. That evening the staff and alumni entertained the new graduates to a dinner in the medical school assembly hall.

This class swells the ranks of Cheelo's graduates to over 1,600. Of these, more than 400 are practising medicine, and the majority of the remaining 1,200 are in teaching positions up and down the country. This is the largest number of graduates that Cheelo has ever passed in one year, but with the annually increasing enrolment, 1937 is not likely to hold the record for long.

RURAL SERVICE BY COLLEGE STUDENTS

FROM A CORRESPONDENT

Nanking, June 22.

Since the appeal by Gen. Chiang Kai-shek to the college students to spend their vacation in rural service, the New Life Movement Headquarters at Nanking has been deluged by applications from students all over the country. Since none of these students receive remuneration nor travelling allowance, outside of special excursion rates on certain railways and steamships, it is truly remarkable that so many young men and women have caught the spirit of this movement and are ready to do their bit for the uplift of the masses and the villages.

The vast majority are returning to their home villages equipped with information supplied by New Life Movement Headquarters on the specific things that they can do for the farmers and their families. The Central Health Administration is adding some valuable little booklets on sanitation and public health. There are over 60 medical students going to the villages this summer to give free medical attention and instruct the people in more healthful ways of living.

Chinese editorial writers throughout the country have commented favourably upon this appeal by the President of the New Life Movement, emphasizing the fact that if the livelihood of the people is to be improved the intelligentsia must carry a large share of initiative and responsibility.

This "back to the country movement" was started by Mme H. H. Kung in a small way last summer, and has now caught popular imagination so as to become one of the most active departments at New Life Movement Headquarters.

Over 40 students have volunteered to join the welfare centres in Kiangsi this summer, giving their services and paying their own travelling expenses.

TRAGIC OPIUM CASE

FROM OUR OWN CORRESPONDENT

Langki, An, June 23.

Opium is still to be bought on the streets, and opium dens are very numerous, but the Peace Bureau are very diligent regarding their members. One is now in hospital because he deliberately bought opium—he had been helped to break it off twice, but is so weak a character that when his father was dying of a painful disease, and asked him to prepare some for him, he again succumbed to the habit.

The wheat harvest has been a poor one, and the quality is not to be compared with that of previous years, while the flour does not make good bread. There is now a crying need for rain. The weather is dry, beautifully cool and nice, in fact really enjoyable, but the thought of the crops rather spoils the enjoyment. Quite recently, the launch was boarded by three brigands, who at the point of pistol relieved the passengers of their available cash. Getting off at Tonghsia they proceeded to terrorize the people. They were caught and were bound over to keep the peace.



Prof. T. L. Trawick

Educationalist of New Orleans, U.S.A.

SUGAR GROWING IN FUKIEN PROVINCE

Government Proposal for Monopoly: Prices to Be Fixed In Order to Protect Farmers

FROM OUR OWN CORRESPONDENT

Putien, Fu., June 25.

The cultivation of sugar cane is becoming profitable in sugar cane, specially on higher ground which cannot be irrigated and used for rice. It is grown from cuttings of cane about nine inches in length, which are planted in March in rows about eight inches apart. After about a month these begin to shoot, and the ground is then manured. After six months the earth between the rows is ploughed up, and bean cake is put in as a fertilizer. By November the canes have grown to a height of eight or nine feet, and they are then ready for cutting. The leaves which are stripped off are used as cattle fodder; the stalks, after crushing, and the roots, are used as fuel.

The crushing of the cane is done locally under very primitive conditions. A large stone mill is turned by an ox, and the juice, pressed out under the heavy stone falls into a bucket placed beneath. One ox can pull for two and a half hours, and in that time will press two buckets full of sugar-cane juice. After the juice has been extracted it is boiled in iron pans. Underneath the pan is a fire fed with the crushed stalks, so that fuel costs nothing. In boiling the sugar a little lime is added to make it stiff. Three pans are boiled, and then their contents are put into a larger pan, and boiled until the sugar is sticky. Then it is put out on large flat wicker trays to cool, and finally looks like hard thick slabs of toffee.

Government Monopoly

No further refining is attempted locally. This sugar is carried away and shipped to Foochow, Shanghai and elsewhere. A load of 100 lb. is fetching \$13 this year; last year it was only worth \$6. This rise in price has given a great impetus to the industry, and more and more land is being given over to sugar. With these big profits being made, it is not surprising that the Government has plans for getting money out of it and there is talk of making sugar a Government monopoly.

Under the plan there will be offices at Hanchiang to deal with the sugar which must pass through this centre on its way to the boats. Here the price is to be fixed, and a charge of 20 or 30 cents is to be made on every 100 lb. of sugar. The farmers very much resent this, and, having hopes of getting rich quickly by planting sugar, fear that the Government is scheming to take away their money. On the other hand the Government says that by fixing a price the farmers will be protected should there be a slump.

Illicit Morphia Trading

Illicit trading in morphia is still being carried on in spite of efforts to stop it. It is particularly bad in the coastal districts. A few years ago it was a common sight to see a man going round the fields with a basket, and approaching the farmers at work among their crops. His basket contained a syringe and morphia. For 10 cents anyone could have a jab. This practice has been stopped, though there is still a lot of drug dealing in out-of-the-way parts.

A few days ago a man who traded in pigs, taking them by boat from one place to another, was found to be dealing in morphia. Twenty-five ounces of the drug were found concealed in the window of the boat. The owner of the boat was arrested, but three of the men escaped by

jumping into the sea and swimming ashore. The penalty is death for those who sell the drug, if they are caught.

It is well known to what lengths morphia addicts will go to obtain the drug for which they crave. Recently a man who had been reduced to poverty by drug taking, took the opportunity of his wife being away from home to sell her jewelry in order to buy morphia. He obtained the drug, and injected it, but the syringe was not clean, and in a short time he developed blood poisoning and died.

Soldiers Well-Behaved

A well-behaved company of soldiers is stationed here, who have announced that their aim is to serve the people. Compared with a few years ago these soldiers are a vast improvement and their attitude is civil and friendly instead of rough and uncourteous. People are no longer afraid of them as they used to be. Some time ago when a local commander had orders to move his troops, he said that he had no alternative but to go, for the Government now had authority; a few years ago he would have taken no notice, but now times are different. Those who live up-country are very thankful that they are different. The district is quiet and peaceful; Reds have gone, and bandits have been greatly reduced.

The Hinghwa plain is intersected by numerous canals which serve both for irrigation and transport. Almost every village near a canal has its dragon boat, housed in the local temple, and brought out on special occasions. This year special preparations were made here by the local officials for dragon boat races. Of late years races have not been held because they had led to so much fighting among the rival crews; so the boats just came out and paddled about. But this year under the supervision of officials as well as armed soldiers, order was maintained.

CHINESE PROHIBIT CAMERA USE

Nanking, July 3.

Restrictions on the taking of photographs by travellers in Chinese territory, whether journeying by land, air or water, are to be tightened up as the result of the issue by the Ministry of the Interior of a new set of regulations.

At the present time passengers in commercial aeroplanes are prohibited from taking pictures of the territory over which they fly, while in fortified zones and other designated military areas visitors are forbidden even to carry a camera. It is expected that these taboos will be extended considerably when the new regulations go into effect, and that local military and police officials will be authorised to ban the use of cameras at their discretion.—Reuter.

AMOY UNIVERSITY NOW NATIONAL

Nanking, July 4.

Amoy University, founded by Mr. Tan Ka-kee, well-known Singapore rubber magnate, has, as from July 1, been transformed into a National Institution, it is officially announced.—Kuo Min.

BUSINESS CONDITIONS IN JUKAO

Modern Plant Cures Ham For Export

FROM OUR OWN CORRESPONDENT

Jukao, Ku., June 23.

Only a few years ago there were 120 Chinese dye-houses in Jukao using native dyes and doing a big business. The extent of the business done can be measured by the size of these establishments. At present this type of dye-house is practically gone, only about a dozen remaining. The old dye-houses have either been sold for other purposes or are empty. The reason for the dropping off of this business is attributed to the use of imported dyes and the consequent change of methods. There are still several large empty dye-houses that can be bought for far below construction price. This big change took place largely within the last ten years.

Formerly there were several large ham shops in Jukao, which is known for its pork. Its hams are sent to all parts of China and abroad. The method of curing ham, however, is undergoing a change which has resulted in the closing of several plants.

A modern plant, built a few years ago and kept up exceedingly well, is doing a good business. Its hams have a wide sale, many being sent to the Philippines and the South Seas. These hams are prepared for Chinese consumption specially, but since the hams are exported, the whole plant is under strict supervision. The Government has repeatedly made attempts to improve the already excellent pigs of the Jukao section, and with good results. At each gate of the city are pig markets where little pigs can be purchased by the farmers who want to change their stocks. Although pigs are sold for consumption in the city all the year round, the big pig-shipping season is limited to a few months. Then thousands of hogs are shipped to Shanghai and other ports.

Straw Hat Business

The straw hat manufacturing industry experienced a great boom this year. Thousands of straw hats of all varieties and prices are at present made and sold in Jukao. During the last year many machines for making straw hats were introduced and new shops opened.

The radio, too, is responsible for the opening of several shops where all kinds of radio apparatus can be bought. Since we have only current at night, and not too good at that, many battery-run radios are used in the city.

Finally, the bicycle has become so common in the Jukao section, in the city as well as in the country, that scores of bicycle shops have been opened in the city and in the country, where small repair jobs can be taken care of, where bicycles can be bought, and where they are rented at 10 cents an hour. Our people are rapidly becoming bicycle-minded and the business now amounts to several thousands of dollars each month in the hsien. The little country paths are all suitable for bicycle traffic, but only the wider roads, with well-built bridges, can be used by rickshaws. Thus the bicycle is bound to win its way and provide a substantial income to the dealers, provided the number of dealers does not increase too much.

THE TAI KAM LEPER HOSPITAL

FROM OUR OWN CORRESPONDENT

Hongkong, June 23.

Messrs. Sun Fo and Tang Shao-yi have promised financial support to the Rev. John Lake of Hongkong in expanding his leper hospital in Tai Kam Island, 40 miles southwest of Macao. Dr. Lake is in the United States hoping to raise U.S. \$1,000,000 for the hospital. His local address is John Lake Inc., Hongkong. When he obtains a certain amount in the United States, some Nanking leaders will also make donations.

Dr. Lake's work has been handicapped by a motor accident and subsequent illness, but he is expecting to revive his campaign to raise money soon. At present the Tai Kam Hospital accommodates 150 lepers and is the best-managed leper hospital in South China. The Island was purchased by the late Dr. Wu Ting-fang, then Foreign Minister in the South, who donated it to Dr. Lake.

An assistant to John Lake Inc. is here to receive funds and packages to be forwarded to Tai Kam. Dr. Lake expects to be back in Hongkong by the end of the year. His wife recently gave birth to a second daughter, and the entire family is staying in Washington, D.C.

The Wen Chi Paper Manufacturing Co. is planning to send delegates abroad to purchase machinery for the mill which is to be erected in Chekiang.

AMUR RIVER INCIDENT NOW SETTLED

Soviet Government Agree to Withdraw Troops:
Evacuation Now Proceeding

Tokyo, July 1.

JAPAN'S "inner Cabinet" this morning met in emergency session and decided, it is learned, that immediate withdrawal of Soviet forces on Bolshoi and Sennuha Islands would be regarded as a prerequisite for settlement of the Japanese-Manchoukuo incident on the Amur River yesterday.—Domei.

Soviet Version Ship Shot At

Moscow, July 1.
Blagoveschensk reports that on June 29 a Japanese-Manchurian cutter fired at the Soviet frontier guard post near the island of Sychevsky (Sennuha) on the Amur River. After fire was returned by the Soviet post, the Japanese-Manchurian cutter opened artillery fire from the Manchurian bank of the Amur River on a Soviet frontier cutter cruising near the Soviet bank of the River, damaging the cutter. Two of the crew of the Soviet cutter were killed and three wounded. The Japanese-Manchurian cutter was taken in tow by Soviet frontier cutters and brought to the Soviet bank of the River.—Tass.

"Self-Defence"

Changchun, July 2.
The Kwangtung Army to-day warned the Soviet military authorities that it would be constrained to take "drastic action in self-defence" against Russian gunboats which deviate from the main channel on the Amur River and enter Manchoukuo's territorial waters. This ultimatum followed reports that a demonstration was staged yesterday by five Soviet gunboats near Sennuha, where a Russian warship was sunk by Japanese shells on Wednesday. Both islands are still held by Soviet troops.—Domei.

Emperor Informed

Tokyo, July 2.
Reflecting the unusual importance attached to the present tension on the Amur River by high Japanese government circles, Marshal Prince Kotohito Kanin, chief of the Army General Staff this afternoon submitted a report on the situation to Emperor Hirohito. Gen. Gen Sugiyama, Minister of War, was subsequently received in audience. Earlier Gen. Sugiyama supplied members of the Cabinet with detailed information of new developments on the frontier.—Domei.

Satisfactory Solution

Moscow, July 2.
Satisfactory solution of the incident on June 30, when Japanese and Manchoukuo forces sank a Soviet gunboat on the Amur River, has been reached.

A statement to this effect was made to-day by the Japanese Ambassador, Mr. M. Shigemitsu, at the conclusion of a conversation with M. Maxim Litvinoff, the Soviet Foreign Commissar.

The Soviet Government, the Ambassador said, had agreed to the immediate withdrawal of its troops from the islands of Bolshoi and Sennuha upon an assurance that Manchoukuo would not have troops or boats in that neighbourhood.—Reuter.

Japanese Army Watching

Tokyo, July 3.
The Japanese Army will continue to maintain a watchful attitude on developments on the Amur even after the withdrawal of Soviet troops, a spokesman of the War Office told the press to-day.

News of the settlement was received with satisfaction by Government, business and financial circles. Officials, however, pointed out that the accord reached in Moscow merely restores the status quo ante providing maintenance of nine channel markers and one lighthouse by Manchoukuo and settlement of Manchoukuo subjects for farming and placer mining. Further negotiations must determine the ownership of the islands over which Soviet Russia claims sovereignty by virtue of old treaty rights. Tokyo and Changchun authorities point to the presence of Manchoukuo subjects on the island and to the maintenance by Manchoukuo of the channel markers and the lighthouse under the terms of a technical agreement reached between the Soviet Union and Manchoukuo at Heilho last year, as proof of Manchoukuo's right to the islands.

According to the captain of the ss. Hsingan, a Manchoukuo maintenance ship, who first discovered occupation of Bolshoi and Sennuha Islands by Soviet troops on June 19, the Red forces did not molest the vessel but he thought it discreet, says the Taiheio correspondent of the "Tokyo Nichi-Nichi," to proceed to Heilho. Wu Kuo-tung and Tien Fu, Manchoukuoan keepers of Channel Markers 176 and 109 on Sennuha told the correspondent that early on June 19 they were ordered by Soviet troops to leave the island and were prevented from taking the lighting apparatus on the markers with them.—Domei.

Tokyo, July 4.
While Soviet troops have begun the evacuation of the southern tip of Sennuha, up to this morning they were still in full control of Bolshoi, according to reports received by military quarters here.

A number of Soviet gunboats and cutters were also reported to be cruising in the vicinity of the Amur River islands, whose evacuation was pledged on Friday by the Soviet Government.

Manchoukuo military observers were reported to be keeping strict surveillance over the progress of the



withdrawal of Soviet forces from the two islands and the neighbouring channels.

Yesterday, the Manchoukuo Bureau of Navigation announced its intention to station representatives at the two islands as soon as they are evacuated.

Orders to refloat the gunboat sunk by Japanese shells off Sennuha on June 30 have been issued to the Soviet military authorities on the spot, according to reports received here from Tsishihar. The work has not yet been launched.

Reports from Taiheio predicted that the two islands would be completely evacuated by to-day. The withdrawal of troops was begun at 4 o'clock yesterday morning.—Domei.

CHANGCHUN POSTS RESHUFFLED

Premier as Only Minister of State in Government

Changchun, July 1.

Emperor Kangle this afternoon personally confirmed six ministers in their new posts under a new Manchoukuo administrative system that went into effect to-day. None of them is a minister of state as the Premier is the only official holding such a post under the new regulations.

The departments of Foreign Affairs, Mongolian Affairs, Education and Defence, and the Supervisory Council were abolished.

The Department of Public Safety will deal with national defence as well as internal security by controlling both the Army and the police.

Public education is now under the Department of Civil Affairs. Foreign relations will be handled by a Bureau of Foreign Affairs directly under the control of the Premier, who will also direct the activities of the Hsingan Bureau, successor to the Mongolian Affairs Department.—Domei.

NORTH-EASTERN UNIVERSITY AGAIN

Peiping, June 30.

A committee for the maintenance of the local North-eastern University has been formed by a number of prominent North-eastern residents in Peiping. The committee intends to launch a drive for funds among North-eastern people in different parts of the country. The drive will be started simultaneously in ten different places, including Peiping, Tientsin, Nanking, Pengpu, Shanghai and Sian.

The committee believes that \$10,000 a month will be enough to carry on the work of the local institution.—Reuter.

DAIREN'S SHIPPING SEASON

Beans, Though High-Priced, Form Export Bulk

FROM OUR OWN CORRESPONDENT

Dairen, June 26.
The humble soy bean of some months ago is rapidly becoming a far more precious article, to judge by its present price and the freight charged to carry it to Europe and elsewhere. Beans at now seeing their per price since the memorable depression year of 1929 while the Osaka Shosen Kaisha, the shipping company which carries the greatest quantities of beans between Manchoukuo and Japan is lifting its freight rates from July 15 by 20 per cent.

Nor is that all as the shipping rate on staples from this port to Europe has more than doubled from what was considered as normal some time ago. Two years ago the freight rates on beans to European ports fluctuated between 18 and 19s. per ton while at present it costs 47s. to move a ton from Dairen to Europe. Only two years ago many vessels left this port in ballast while many others were dawdling around the waterfront being for cargoes of staples from here at 14 or 15s. a ton to Europe.

Bean quotations on the Dairen produce market are at the moment hovering round Y. 8 per picul which is about 6 sen per pound or Y. 132 per long ton. Including the current freight rate the cost per ton, excluding port charges is about Y. 160 per ton in European ports. The weight employed for beans in Manchoukuo is usually the metric ton.

Great Shipping Boom

This is indeed a great boom time for all shipping lines carrying beans and other staple products from Dairen to Europe. Of these various shipping firms the Hamburg-America takes first place. During 1936 this company carried 128,000 tons of beans from Dairen to Hamburg and Rotterdam. The Rickmers line transported 92,000 tons for the same period, the North German Lloyd 64,000 tons and the Blue Funnel 36,000.

The phenomenal rise in freight rates, according to the manager of one of the big shipping firms here, is partly due to the world-wide shortage in bottoms and congestion in freight traffic between the Far East and North European ports. There is no slackening, however, in the big demand for Manchoukuo staples as they are needed badly in Europe for their valuable oils and protein-containing residue when the oil has been extracted.

In a minor way the shipping of groundnuts from Shantung at Tsingtao is witnessing the same rise in price and freight rates. Despite the active business in beans figures show that Dairen is not exporting as much as in former years and this must be placed to a large extent on the improved facilities of the Korean port of Rashin. At present nearly 1,500 tons of beans can be loaded daily at this harbour and on company in Dairen is exporting round 30 per cent. of its total shipments from Rashin.

Risk in Bean Exports

With bean quotations and freight rates as they are a cargo of beans must bring over £9 10s. if the shipper is to make any profit, according to the manager of one of the biggest foreign exporters. This businessman declares that there is a large risk in the export of beans to Europe nowadays. At the same time £9 10s. per ton is a large price to obtain, the quotation on June 5 being in the neighbourhood of £9 only. The highest quotation for beans on the European market this year was £10 5s. on April 7, though this price lasted only for one day, tumbling on the next by several shillings.

Exporters sending beans to Europe at the moment must hope that quotations will be at least £9 10s. when the cargo reaches Europe 40 days or so after leaving Dairen. The price is round £10 he makes a handsome profit though if it is around £9 he loses heavily.

At that this executive intimated that the price was not expected to drop to a point where Dairen shippers would sustain losses as there was nothing to indicate that demand would decline, particularly with the trade agreement between Germany and Manchoukuo in operation.

Even if prices for autumn beans drop this will still be a memorable year for this product upon which the fate of the country and its 30,000,000 people partly depends.

LIGHT-BOAT REPLACED

With reference to the circular notification issued on July 3, information has been received by the Coast Inspector's Office from the Wuhu River Office to the effect that the Chin-yun Rocks Light-boat has been replaced in position.

SHEEP REARING IN MANCHOUKUO

Petrol Deposits Found Near Harbin?

FROM OUR OWN CORRESPONDENT

Harbin, June 23.
At present much is being written on the question of sheep rearing in this country, and purchases have been made of sheep, both from Australia and America, for the purpose of improving the breed and getting a better fleece. The main point, however, is that the climate is not suitable, and no matter what breed is brought here, within a year the fleece becomes rougher, to save the animal from the severe winter cold. If the sheep are imported in the spring, it is possible to get a fleece equal to that which they give in their home country, but by the following year the quality of the wool will be much lower, and there is no way of counteracting this.

From time to time it has been stated that deposits of petroleum had been discovered, particularly in the Hingan Range, but in all cases they proved to be incorrect and after large sums of money had been spent in drilling the schemes were given up. Now a group of Japanese engineers say that they have discovered oil not far from Harbin. Their story is that some peasants stated that they had seen some black oily substance floating on Lake Shisui, about 25 kilometres from here, on the Sungari river. The engineers investigated and report that they discovered oil deposits of two kilometres in length and one kilometre in width. They brought a barrel of the oil to Harbin and are making an analysis of it, and if it proves to be of sufficiently good quality, they propose to form a company and drain the lake.

AIR LINER CRASHES IN MANCHOUKUO

Two Killed, Six Injured En Route to Mukden

FROM OUR OWN CORRESPONDENT

Mukden, June 23.
Two women passengers were killed and six other passengers injured, two of them seriously, when the air liner Super No. 148 crashed near Erhtzui, Huan Jen county, Antung province about 11.40 a.m. on the morning of June 22.

The plane was on its way to Mukden by Tunghua from Shingshu, the Korean Air Port just across the Yalu River from Antung. Two planes were rushed from here as soon as the news was received, and the dead and injured were brought here on the evening of June 22.

The dead are Miss Huang Shu-tai, the daughter of the Head of the Huan Jen Revenue Inspectorate, and Miss Boku Shodo. The injured were T. Fujikawa, age 32, an official of the Huan Jen Hsien Government; Boku Dogaku, age 40, the President of the Korean Residents Association at Huan Jen; Miss Boku Sejun, the ten year old daughter of the last named passenger; Dr. G. Kuroda, professor in the Manchuria Medical College here; K. Nozaki, age 27, of 16 Inaba-Cho, Mukden; and A. Hiramatsu, age 32, of 26 Kobai-Cho, Mukden.

High Safety Record

The Manchuria Air Transport Co., which enjoys a monopoly of air transportation in this country, was formed in October 1932. At the present time it is operating fourteen commercial lines with a total length of 8,170 kms. In addition it sponsors the four lines into North China with a total length of 1,475 kms. It also operates two military lines on which ordinary passengers could be carried whenever vacant seats were available.

This company, which was financed by the Manchoukuo Government, the South Manchuria Railway Co. and the Sumitomo Co. of Japan, operates a through service with the Japan Air Transportation Co.

During nearly four and a half years of operation there have been remarkably few accidents reported on the commercial lines. The route on which this accident occurred runs up through the Tung Pien Tao district along the right bank of the Yalu, and makes the total distance of 515 kms. in five hops. Between the river town of Chian and Tung-hua, the plane passes through the district in which Father Burns was held captive last year. Huan Jen is the last stop before Mukden. It lies in the valley of the Hun Chiang a tributary of the Yalu, and is surrounded by hills. The route is a new one, and little patronized by foreign travellers, who would take the direct plane from Shingshu to Mukden instead of the circuitous trip through Tunghua, which is twice and a half as long.

IMPURE BEER SOLD IN MANCHOUKUO

Authorities Condemn Huge Quantities

FROM OUR OWN CORRESPONDENT

Dairen, June 29.
Just when the weather is warming up to a point where thousands of bottles of beer are needed daily to quench the thirst of the Manchoukuo population a "beer famine" is starting the people in the face. Spurred on by their zeal for proving that everything corresponds with the label the police in the South Manchuria Railway Zone set about an investigation of the beer and cider sold there on a recent day and when their examinations were complete they had discovered that no less than 83 per cent. of the liquids tested contained sediment and was unfit for human consumption.

Bottles of beer to the number of 153,308 and 5,880 bottles of cider were examined. They were immediately prohibited from sale as were other small lots on sale at different establishments. The beer had been manufactured in Mukden.

The following day authorities of the Kwangtung Bureau at Hsinking declared that if the beer produced at the Mukden Brewery was found harmful to the human body it would all be confiscated, officials of that body and the S.M.R. Sanitary offices being busily engaged in testing all liquid banned from sale.

The manager of the Mukden Brewery told the press that the beer made there could not possibly be unfit for human consumption and that if the police confiscated all the beer declared bad their loss would be a great one. He said the police had given it as their opinion that the filtering apparatus was inferior, which he stated was not the case. He said the sediment found in the Mukden Brewery beer was in all beer as that in bottles has to be heated to sterilize it. "If what the police state is true," he declared, "then all beer in the world is unfit to drink."

Imported Beer Also Tested

Several days later saw the arrival of five carloads of beer, manufactured in Japan, and beer lovers saw succumb, but the police, with their sleuthing instincts thoroughly aroused, would not permit one bottle of the whole 89,856 to be touched until each one had been examined in Hsinking. The capital of Manchoukuo is thus temporarily beerless.

Mukden was the next place after Hsinking to come under rigid scrutiny by the police.

Spurred on by the actions of fellow-members at Hsinking and Mukden the Dairen police set seriously to work a few days ago and investigated not only beer and cider in this city but also tinned provisions. Much of this was found to be unfit for human consumption. The people now wonder when this beer purge will end. So far Harbin has been free from it but it is expected that this town will come under official suspicion shortly and if this is so, a dry summer is predicted for those who assuage their thirst with certain beer brewed in Mukden.

FAMOUS LIBRARY UP FOR SALE

Nanking Negotiating for Its Purchase

Negotiations for the purchase of the late Mr. Li Sheng-to's famous Chinese library by the Ministry of Education in Nanking are proceeding smoothly, and there is every hope of an agreement being reached before long, according to information from local Chinese educational circles, according to a Reuter message from Peiping.

The library, consisting of over 5,000 Chinese books, including many rare manuscripts, is valued at \$1,000,000. Mr. Li Sheng-to, the owner of the collection, was a well known Chinese scholar and had held many important posts under the Manchus, including that of Chinese Minister to Japan and England. He died in Tientsin last February.

Representing the Ministry of Education in the negotiations with the heirs of the late Mr. Li are Mr. Yuan Tung-li, Associate Director of the National Library of Peiping, Mr. Fu Tseng-hsiang and others. It is stated that the Ministry of Education at first offered \$300,000 but this was not acceptable to Mr. Li's heirs, who wanted \$800,000.

The Ministry has since raised its offer to \$400,000 but the heirs hoped to get \$500,000 at least. It is understood that Dr. Hu Shih, who is also interested in seeing this valuable collection remain in China, has promised to take the matter up with General Chiang Kai-shek at Kuling. It is generally believed that the Ministry will agree to pay \$500,000.—Reuter.

HOSPITAL MERGER IN HANGCHOW

Shanghai Visitors Attend Simple Ceremony

FROM A CORRESPONDENT

Hangchow, June 29. An important event in medical circles here is the recent amalgamation of the Shanghai Orthopaedic Hospital which was founded and owned by the late Dr. W. S. New and the Kwangchi Hospital of the Church Missionary Society.

The official amalgamation took the form of a simple ceremony which was held on June 26 in the building of the Kwangchi Branch Hospital on Pine Tree Hill just outside the city which is at present being used as an orthopaedic block.

Among those present were Mrs. W. S. New, Dr. D. A. Li (Medical Officer of Health, Shanghai), Dr. W. S. Fu (China Medical Association), Mr. Chow (Mayor of Hangchow), Dr. H. P. Tsu, Dr. S. B. Chang (Medical Officer of Health, Hangchow), Dr. W. L. New together with the medical superintendent and members of the staff of the Kwangchi Hospital. A telegram was received from Dr. S. M. See who was unable to be present.

The meeting opened with the singing of the favourite hymn of the late Dr. New and then the chairman's address after which the banner on which was inscribed the modified name of the former Shanghai Orthopaedic Hospital was hung. Dr. W. L. New then formally handed to Dr. Sturton (Superintendent of the Kwangchi Hospital) the records of the Shanghai Orthopaedic Hospital. Dr. Sturton replied suitably and then followed speeches which covered Dr. W. S. New's life and work, connection with the Kwangchi Hospital, high ideals, loving service given to his patients whether rich or poor, his love for children and his hope that some day there would be hospitals and trained workers for dealing with orthopaedic patients throughout China.

Modern Treatment

Dr. Tseng, resident orthopaedic surgeon on the staff of the Kwangchi Hospital who had worked with Dr. New and who was carrying on his work under the new arrangements, gave a brief description of the modern orthopaedic treatments that she had studied in a recent visit to America and Europe. She explained the methods she was using at present and the developments she hoped to see in the facilities made available in China for early diagnosis of cases, requiring orthopaedic treatment, specially children. She also expressed a hope that in the near future funds would be available for erecting a building designed for the carrying out of her treatments and more suitable than the block in use at present.

After the meeting visitors were invited to inspect the building and the patients then having treatment. The veranda beds were occupied by 20 little tots clad mostly as Mother Nature meant them to be undergoing the later stages of treatment and having adequate doses of fresh air and sunshine. They took a great interest in the proceedings, passed remarks freely about the visitors, and took great pride in showing off their handwork, drawing, weaving and basket-work. Their smiling faces, vitality and plump bodies, compared with the miserable puny untreated children were far deeper than mere speeches to emphasize the need of increasing facilities for this treatment.

OBITUARY

Mr. C. E. Watson

Hongkong, June 28. Mr. C. E. Watson, formerly secretary of the Shamen Municipal Council, was killed this morning by falling out of a window of his home at Kowloon.

Mr. Watson, who was the holder of the Boxer Medal, is believed to have been born at Shanghai.—Reuter.

Major C. Brooke-Short, R. M.

The death is announced with regret of Major Cecil Brooke-Short, R.M., which occurred at Weihaiwei on June 28 following an operation for appendicitis.

Major Brooke-Short, who was Fleet Royal Marine Officer attached to H.M.S. Cumberland, flagship of Admiral Sir Charles Little, was well-known in Shanghai where he had a wide circle of friends, having served on this station some years ago. Major Brooke-Short was in command of the Royal Marine detachment from H.M.S. Cumberland and Suffolk during the Coronation tattoo in Shanghai last month and was an all-round sportsman.

Mrs. Brooke-Short is at present in Weihaiwei and to her the sincerest condolences are extended.

In China To-day

The Japanese Ambassador, Mr. Shigeru Kawagoe, left Shanghai for Nanking on July 3 to make courtesy calls on Chinese Government officials who have not departed for Kuling, China's "summer capital."

The Hongkong papers learn that the Kwangtung Provincial Government proposes to convert Bias Bay, the famous pirate lair fifty miles east of Hongkong, into a first-class fortress and air base. These fortifications will fulfil a double purpose. They will protect Canton against invasion—either by sea or by air, and will end for ever the activities of pirates.

Prosperity and an increase in population have earned for Nanchang, the provincial capital of Kiangsi, the status of a municipality. A municipal government for the city, it is reported, will be inaugurated on August 1. Mr. Kung Hsueh-shui, at present a member of the Kiangsi Provincial Government, has already been appointed by the Executive Yuan to be the first Mayor. According to the same report, Mr. Kung has received a telegraphic summons from General Chiang Kai-shek, asking him to proceed Kuling at once.

MADAME Chiang Kai-shek has contributed \$1,000 toward the relief of destitute children in the famine-stricken districts in Szechuen. The sum is now in the hands of the Child Relief Committee in Chengtu.

DEPORTED from Japan on the grounds that he was an undesirable citizen, Mr. Chen Lin-pao, a Chinese aged forty, arrived in Shanghai on July 1. He was charged by the Japanese police with having had immoral relations with a Japanese serving maid, in spite of the statement of the maid that he had behaved towards her with the greatest propriety, and the recommendation of the Chinese consul in Yokohama that he has always been a model citizen.

The long distance telephone between Tsingtao and Nanking was successfully inaugurated on Thursday when Mayor Shen Hung-lich and General Ho Ying-ching, Minister of Military Affairs, formally opened the line and talked about five minutes.

GENERAL Wong Kwong-yiu, prominent Chinese military official, was robbed, on the Star Ferry, Hongkong, recently of money and official documents. General Wong, who is Director of the Second Department Air Committee in Nanking, has reported to the police that he discovered that somebody had extracted \$820 in Hongkong money, \$90 in Canton currency and some official documents.

PHOTOGRAPH COMPETITION

The "North-China Daily News" Sunday Supplement announces a second Summer Amateur Photograph Competition for which the following cash prizes will be given:

EIGHT CASH PRIZES OF TEN DOLLARS EACH

distributed as follows:

- \$10 for the best "News Photograph" received between July 12 and July 25.
- \$10 for the best "Child Study" received between July 26 and August 8.
- \$10 for the best "Animal Study" received between August 9 and August 22.
- \$10 for the best "Study of Chinese Life" received between August 23 and September 5.
- \$10 for the best "Action Photograph of Sports" received between September 6 and September 19.
- \$10 for the best "Interior Scene" received between September 20 and October 3.
- \$10 for the best "Holiday Photograph" received between October 4 and October 17.
- \$10 for the best "Scenic Photograph" received between October 18 and October 31.

Readers will remember that the "North-China Daily News" ran a similar competition last year, which, judging by the number of entries received, was very popular, and also proved that Shanghai was not lacking in amateur photographers of ability and imagination. This year's competition is different in that the entries have been divided up into groups, which it is thought will make the award of prizes more satisfactory and will also add interest to the competition.

Competitors may send in as many entries as they wish, and for all or any of the eight groups. Each entry, however, must be attached to the entry form, which will be found at the foot of the Competition advertisement which will be published every day in the "North-China Daily News" during the period of the competition.

This is the ideal season of the year for photographers; you are competing with amateurs; and there is no entrance fee. So keep your camera loaded and remember that there are thousands of pictures ready to hand in the streets, in the country, at the seashore, and indoors.

The prize winners will be announced in the Sunday issue of the "North-China Daily News" following the closing date of each series.

RULES

- A prize of \$10 will be paid to the amateur sending in the best photograph of each series every fortnight, from the fortnight ending July 25 to the fortnight ending October 31.
- Photographs must be taken by the competitor, who must be an amateur, and must not have previously appeared in any other publication.
- Photographs may be of any size not smaller than 12 square inches and must be unmounted. They may be developed and printed by a professional photographer, but must not be touched up, double printed, or otherwise manipulated.
- Any number may be sent in in any one fortnight or every fortnight. The entry form at the foot of the advertisement must be filled in and must accompany each photograph submitted. Name or nom de plume must be written in pencil on the back of the photograph.
- The "North-China Daily News" has the right of printing any or every photograph sent in for competition, whether a prize winner or not. No photographs will be returned.
- The decision of the "North-China Daily News" must be accepted as final. No member of its staff is allowed to compete.
- Entries must be addressed Photograph Competition, North-China Daily News, 17 The Bund.

Photographs from Holiday Resorts and Outports are welcomed.

Glossy prints are preferable but there is no restriction as to paper or printing.

Every photograph sent in must have a separate entry form attached to it.

PHOTOGRAPH COMPETITION ENTRY FORM

To Photograph Competition, "North-China Daily News," 17, The Bund, Shanghai.

Name Title

Address Where taken

..... Camera used

Nom de plume for publication if preferred.....

NEWS FROM JAPAN

JAPAN PASSES CROSS-ROADS

Political Parties and Press United in Support of Prince Konoye's Cabinet: Huge Defence Programme

By FRANK H. HEDGES

It is genuine realization that Japan at last confronts that "crisis" of which it has been talking these half-dozen years past, plus faith in the disinterested service of Premier Prince Fumimaro Konoye, that has brought a harmony to the Japanese political world such as seemed unbelievable a month and more ago. The ordinarily conflicting elements which make up the new Government are not co-operating; they are doing more than that. They are actually working in unison. The sole exception to this prevalent national unity observable at the moment is the Shakkai Taishuto, or Social Mass party, the politically organized labor group in Japan, which still adheres to its own programme for "the salvation of the Empire."

It was evident shortly after the recent Hayashi Government was formed that it could not endure for long. Acknowledged to be a stop-gap Government, it failed to stop the gap. When Gen. Senjuro Hayashi, himself a moderate, took over the Premiership from the retiring Mr. Koki Hirota he at once antagonized the political parties beyond any possibility of reconciliation. He was willing to admit two party men to his Cabinet, in fact, offered posts to one Minseito man and one from the Seiyukai, but only on condition that they quit their parties.

Largest Budget in Japan Annals

Both men refused, and General Hayashi faced a reconvened Diet so bitterly hostile to him that there was little chance of anything being accomplished other than the passing of the Budget with some minor alterations. The parties, quiescent as the Premier, recognized the necessity of enacting the largest Budget the Empire has ever known, but once that was done the quarrelling became so bitter that the Premier requested and received an order for dissolution and the calling of a General Election.

The outcome of that election is well-known. Although without a party and with no candidates in the field the Premier early abandoned his attempts to form a new Right wing Government-supporting political party, the Hayashi Cabinet was given a humiliating defeat at the polls. The whole nation knew it, and so did the Premier, yet he tenaciously clung to office and announced that he would not resign. Resignation was, however, inevitable. Not only was the mass of the people opposed to the Hayashi régime, but some of those "unseen forces" which are so powerful in Japan likewise began to undermine his position. Apparently realizing this, the Premier cast about to find some successor who could bring harmony to Japan where he had failed, and of all men able to do this Prince Konoye was undoubtedly ablest.

Although young as statesmen go in Japan, he was President of the House of Peers, had an unblemished record, came from a family which commanded the respect of the whole people as he did himself in a personal way, and had no "entangling alliances." That is, he could go into the office which he had previously refused at least twice without being bound to any group or any particular school of political thought.

Konoye Government Formed

Prince Konoye must have agreed unofficially to accept the post before General Hayashi dramatically announced on June 1 that he and his Cabinet had tendered their resignations to the Throne. Within a few days the new Government under Prince Konoye was formed, a Government to which the Army and Navy freely supplied Ministers, a Government made up principally of bureaucrats but including also one man from the Minseito, one from the Seiyukai, although not as representatives of their parties. The result has been a cessation of that bitter strife which had been wracking Japan's political world for more than a year past.

It is only decent to give credit where credit is due, and in this instance it certainly is due to Army, Navy, to the major political parties and to the public press. All of them have sunk their differences and are working in unison under Prince Konoye to create a New Japan, the second within less than a century. Predictions as to how long this unity may continue or how successful may be the efforts of the Konoye Ministry to build up and strengthen the Empire on a somewhat changed order

of affairs are worthless at the moment. These are questions which time alone can answer, but the tangible fact is that the attempt is being made.

Old System to be Altered

There are certain to be major changes made—in governmental structure, in finance and commerce, in many another way—in the immediate future in this country. It is generally recognized that the old system is not able to stand the strain that is being put upon it now, and that it must be altered and strengthened. It is more than likely that the Ministers of State in their private thoughts liken themselves to

Experienced Mentor

In Mr. Frank H. Hedges, the readers of this journal have an experienced and esteemed mentor on current Japanese affairs. Mr. Hedges, after service in the World War, came to the Far East in 1920, a graduate of the University of Missouri's School of Journalism, to join the staff of the "Japan Advertiser" in Tokyo. He has represented many journals during his residence in Tokyo and occasional visits to China. He is now staff correspondent for the North American Newspaper Alliance, the London "Daily Telegraph" and the "Washington Post." He is the author of "In Far Japan" and several booklets on the Far East, besides being one of the contributors to the recently published volume "We cover the World."

the giants of the early Meiji Era who wrought over a feudal, medieval nation into modern Power in little more than a generation. Perhaps they are right; none knows.

The crisis which Japan faces is in part international, in part political and in part economic. This Empire, rightly or wrongly, considers itself surrounded by foes rather than friends, and hence feels the dire necessity of preparing itself for defence, just as the Japan of three-quarters of a century ago felt the same need as regarded certain of the European nations if it was to maintain its independence, a thing which few of the nations of Asia have been able to do.

Emphasis on National Defence

This accounts for the emphasis being placed on national defence, and for the fact that for some years to come the entire life of the Empire is destined to revolve round this single pivot. Any dreams of conquest that Japan may or may not have entertained have been put to one side. It is possible that they may be revived at some future date, but for the time being it is perfectly safe to assume that the guiding principle of Japanese policy is so to strengthen the Empire in every way that it need have no fear of any foreign enemy.

Fortunately, the realization has dawned in all quarters, unless among the radical younger element in the Army and the bureaucracy, that national defence means more than a huge Army and Navy adequately armed and equipped. The Tokyo War Office is now conscious of the fact that there are such things as economics, and that economists are best able to deal with them. It is willing to trust this task to experts, but at the same time it feels impelled to tell those experts what it desires and to ask them to bring this about.

It is also realized that there must be unity of public opinion in support of any national programme if that programme is to succeed, and so a very earnest effort is being made to win such unity. Prince Konoye's Premiership is outstanding proof of this, but there are other proofs as well, such as the loyalty being accorded him by the press of the nation.

An Impregnable Japan

The machinery for this greater unification and centralization has already been thrown into gear. The recently created Planning Board is mapping out an economic programme to cover the next five years which, it believes, will go far toward making Japan impregnable from the dual standpoints of necessary material supplies and of finance. The House of Peers is to be reformed, and many another reform will be advanced in the immediate future. Again, time must elapse before it

is known how successful they may or may not be.

The Budget for the next fiscal year will measurably exceed that for the present one, and the proportionate share of the Defence Services will be increased. This will entail sacrifices on the part of the people, and in their present mood they are quite prepared to make such sacrifices. It can be taken as assured that private finance and business will come more and more under Government direction, control, domination—one may choose whichever word best suits one. In the fields of education and spiritual training (on which Japan places such emphasis) this same process will go on. In almost any phase of national life it will be seen in increasing measure as the months roll by, whether the Konoye Ministry remains in power or is succeeded by another one not unlike it.

Three-Plank Programme

The Cabinet has announced the three planks of its financial and economic programme to be:

- 1.—Expansion of productivity.
- 2.—Balancing of international payments.
- 3.—Regulation of the supply and demand of raw materials.

The second and third of these planks are, in fact, supplementary and complementary to the first, and that in turn is designed primarily for the strengthening of national defence, in the broadest sense of that term. Industrial expansion, particularly of the munitions industries, is essential to military preparedness. This means that most of the raw materials needed by the munitions industries must be imported, which means, of course, an outflow of gold or payments in some form, so that it is necessary to regulate and balance these international payments lest Japan go bankrupt.

One way of doing this is undoubtedly to regulate imports and exports, bringing into the country only those raw materials absolutely essential to the munitions industries, to those industries which can in turn sell in foreign markets and so start cash flowing in the direction of Tokyo and Osaka, or those commodities which are needed for the daily life of the people.

The whole of Japan's economy for some years to come is to hinge on preparedness for defence, and this naturally hinges on the munitions industries. Any foreign firms wishing to do business with this Empire had best take this fact into reckoning if they are not to be shut out of the market.

Japan-Manchoukuo Unity

If it were not that Japan has frequently in the past accomplished what seemed impossible it would be easy to predict that this present plan would fail; given the known facts of the past no such judgment is rational at present. Just how it is to be done cannot be clearly foreseen, but one of the major principles in the new programme is to consider Japan and Manchoukuo as an absolute economic unit. They have been a military unit for about five years, and to some extent a political unit; they are now, if the Japanese can accomplish it, to become an economic unit.

Every plan being made in Tokyo to-day considers not only the resources of Japan and its colonies but of Manchoukuo as well. How can that be reconciled with the principle of the Open Door? The question will have to be left to the gentlemen of Kasumigaseki to answer, as undoubtedly the War Office is leaving it.

In the realm of foreign policy Japan may be expected to pursue a far more conciliatory and friendly course than has always been the case. Japan wants above all things to be left alone while she works out and brings to perfection her own five-year plan. Unless there be some stupid blunder on the part of a handful of too ardent patriots, no nation need fear Japan as an aggressor until or unless the situation is altered.

Without Dreams of Conquest

Mr. Koki Hirota, none too popular in Japan because of his Three Principles, is back in as Foreign Minister after having served in the Premiership and suffered a short term of retirement. Your correspondent has known Mr. Hirota personally for something more than fifteen years, and is willing to declare flatly that he is not a militarist, that he entertains no ambitious dreams of conquest. As long as he is left in control of foreign policy, Japan's policy abroad will be one of peace and friendship—with China, with the Soviet, with Great Britain and with all other Powers.

The chances are that he is to be left in control of foreign affairs. The Army and Navy are so busily concentrated on their own strengthening that they have scant time for any other concern. They are, as long as their guiding principle of preparedness is followed, quite willing to let economic experts handle economic questions; it is rea-

KOREA-MANCHOUKUO PARLEY PLANNED

Japan May Be Represented at August Meet

Tokyo, July 5. The Dairen correspondent of the "Asahi Shimbun" reported to-day that a conference between Manchoukuo and Korea would be held about the middle of August in Dairen or Seoul to study the co-ordination of industrial and commercial development.

Representatives of Japanese interests in North China, said the correspondent, might join in the conference which aims at removing trade barriers between Manchoukuo and Korea, dividing industrial production and co-ordinating capital.—Reuter.

THREE PRINCIPLES TO BE REVIEWED

Emphasis in Sino-Japanese Relations

Tokyo, June 28. Avoidance of fresh trouble with China and emphasis on Mr. Koki Hirota's three principles, namely, joint endeavours by China and Japan to combat communism, absolute control of anti-Japanese activities in China, and the conclusion of a Sino-Japanese economic entente, will, Reuter learns, continue to serve as the keynote of Japan's China policy.

On this basis, all the Japanese newspapers predict, Sino-Japanese diplomatic negotiations will be resumed in Nanking between the Japanese Ambassador, Mr. Shigeru Kawagoe, and the Chinese Foreign Minister, Dr. Wang Chung-hui. No ground for an accurate forecast of the nature of Mr. Kawagoe's new instructions from the Konoye Cabinet is available, but it is said that the Cabinet has decided to revive the Hirota principles "as the final ideal." The three principles will serve as a fundamental policy, the "Nichi Nichi" declares, but their acceptance by the Chinese Government "may not be requested immediately."—Reuter.

It is reasonable to assume that they take the same attitude toward foreign affairs.

No Necessity for Rightists

Within Japan the situation is much less clear. Premier Prince Konoye has announced that no "new" party is to be formed unless the Shakkai Teishuto should become too obnoxious or too powerful. By "new" party is meant a party of the extreme Right. It is felt that there is no necessity for such a party, since virtually the whole nation is united behind the present Government. How long this unity may continue is questionable, of course, and if political strife should once more break out an extreme Right party is inevitable. It is inevitable because there is a school of thought, albeit decidedly in the minority, which would demand representation in the political field and which is sincerely Rightist in conviction.

In that event, the Shakkai Taishuto would probably lose much of its coloration, and become a Leftist party including many non-Labour elements. Between them would stand the bulk of the membership of the two existing major parties—the Minseito and the Seiyukai—probably united into a single group.

This, however, is speculation contingent upon a disruption of the harmony now prevailing. Such a disruption must come sooner or later because the existing unity is abnormal, but there is no indication of its approach. The extraordinary session of the Diet has been summoned in accordance with the Constitution to meet on July 23, and it is more than probable that that short session will enact measures of far-reaching and fundamental import. As the outlook is now, the Government can count on overwhelming support in putting its reforms into law, and these reforms will alter the political, the economic and perhaps other phases of the national life in a drastic manner.

Second New Japan

Their objective will be the creation of a second New Japan within less than a century, of a Japan strong enough to stand alone and to meet the problems of the present and the future as adequately as the Japan of the Meiji Era met even more serious problems.

Just how this is to be done, just how successful it may be, just how harmonious is to continue as unfeasible. The one fact that stands out so clearly that none can intelligently question it is that the Japanese Ship of State has steered clear of the rocks that loomed so ominously ahead a month and more ago, and that its pilots are endeavoring to chart a new course, with all hands pulling at the oars in perfect time.

"YOSHIWARA" FILM FOR PARIS

Gaimusho Informed of Good Reception of Production

Tokyo, July 2. Renamed "Sacrifice," because of official Japanese objections, a motion picture based on an original story entitled "Yoshiwara" by M. Maurice Dekobra, the noted French author, opened at the Marignan Theatre, on the Champs-Elysees, Paris, yesterday morning. The Foreign Office was advised to-day.

The production was "well received" in spite of stage settings and scenes that "obviously were not Japanese," according to the report.

Deletion of a scene showing Miss Michiko Tanaka, in the role of a Yoshiwara inmate, taking a bath in a beer barrel and other sequences considered "contemptuous" of Japan, will be requested of the producers by the Japanese Embassy.

A threat that unless drastic revisions were made in the story, all future productions of the Lux Company would be banned in Japan was made by the Home Office several months ago, after consultation with the Foreign Office.

In addition to Miss Tanaka, Mr. Sessue Hayakawa, who once starred in American motion pictures, has a part in the production.

The plot, to which Home Office censors took umbrage, involved the loss of some secret documents by a Captain Dan of the Japanese General Staff, who deserts his only daughter for days in the Yoshiwara, "absorbed in drinking and gambling," finally to be discharged from the service.—Domei.

FUNERAL HELD FOR MR. ARIYOSHI

Tokyo, June 28.

The Japanese Foreign Minister, Mr. Koki Hirota, yesterday headed the list of notables who read eulogies at the funeral services for Mr. Akira Ariyoshi, former Ambassador to China, who died here on Friday.

The services, conducted according to Buddhist rites at the Aiyama Hall, were attended by a large number of Government officials, members of the foreign diplomatic corps, and businessmen.

Among those who took part in the ceremony were Mr. Yosuke Matsuoka, President of the South Manchuria Railway Company, and Admiral Katsuke Okada, former Premier.—Domei.

With gold bullion valued at ¥15,000,000, the ms. Kamikawa Maru left Kobe on June 30 for Los Angeles.

The North-China can be mailed to you in Daily News

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THE wise woman does not experiment when a troublesome corn makes her life a burden—she knows it can be removed quickly and safely with



SHANGHAI NEWS

A DECADE OF GOVERNMENT

Many Celebrations to Mark Tenth Anniversary of City Government's Foundation

THE Civic Centre at Kiangwan has been for days busy with carpenters, masons, painters and decorators, getting ready for the tenth anniversary of the City Government of Greater Shanghai to be celebrated to-day. Pailous or decorative arches have sprung up all over the place in designs both Chinese and western. Electricians are busy at work putting on strings of lights, which will illuminate the arches as well as all the principal buildings at the Civic Centre. The City Government building will be lighted throughout during the nights from July 7 to 18, and its outline will be shown to great advantage by the thousands of lights against the sky.

The most important centre of attraction will be the athletic grounds, where a special new building has been built to provide room for the exhibition of China's modern industries. Here in this building machines are set up and will be run to demonstrate the excellence of Chinese-made machinery and machine-made Chinese products. At the back of this building are to be seen electric welding, irrigation pumps and other like machines at work.

Opposite this building stands the original Gymnasium, which has been transformed into an exhibition hall for Chinese hand-made or semi-hand-made articles. Naturally, carvings, China-ware and lacquer-ware occupy the place of honour, but it is surprising the glass-ware placed on show.

In the smaller gymnasium stands are quickly being put up to provide room for the many cases of beautiful jade articles, which attracted so much attention while on pre-view at the Sun Company's building some time ago. Only a small charge of twenty cents will be made for admittance into this show room. Not very far away from the gymnasium is a neat little matchless hall, where the most wonderful collection of China teas will be placed on exhibit.

The outer ring of rooms surrounding the stadium track and field is now being fitted up as an air defence exhibition. It is expected that this alone will attract at least 100,000

people. All the articles are provided by the Nanking Government, and great expenditure has been incurred for their preparation. A real aeroplane, life size models of aerial bombs, working map in relief to show methods of air-defence control, will surely draw large crowds of spectators to the Civic Centre. This exhibit will be free to those who hold a ticket to other shows, not one of which will cost more than five cents to see. A coupon ticket costing 15 cents will enable the holder to see all the exhibits.

Several Exhibitions

There will also be a health exhibition at the Greater Shanghai Health Laboratory, a Chinese cultural and arts exhibition at the Greater Shanghai Museum, and a municipal affairs exhibition in the Greater Shanghai Library. Devices for Safety in Factories Exhibition is to be in the Civic Centre Primary School Building, which is situated not far from the Gymnasium.

The celebration will be started by a big lantern parade on Tuesday evening. More than 300 decorated and illuminated motor cars have been registered, and it is expected that some 20,000 men will join on foot when the parade reaches Nantao. The parade is timed to start from the Civic Centre at 6 p.m., and will pass through Chapel and reach the old Chinese way by Chungshan Road. Public enthusiasm is shown by the numerous applications for permission to join the parade. A visit to Nantao reveals that even there the principal streets are decorated and will be illuminated.

The formal opening of the celebration will take place in the City Government Building in the ceremonial hall at 10 a.m. on Wednesday. Acting Mayor C. K. Yui will preside. The Generalissimo has delegated the Acting Mayor to represent him at the ceremony, but Mr. Wang Ching-wei will probably be present in person. Nearly one thousand invitations have been issued to leading Chinese and foreign people, officials and diplomats. One interesting part of this ceremony is the formal opening simultaneously of all the seven exhibitions at 10 o'clock, when Mr. Yui will officially make the pronouncement. A small committee will be in waiting at the gate of each separate exhibition. A lady specially invited will cut the cord upon the pronouncement of opening by the Mayor, whose speech will be relayed to the several exhibition grounds by wireless.

Motion Picture Demonstration

Perhaps the greatest attraction, so far as the average outsider is concerned, is the special performance to be staged by all the stars of the five big Chinese motion picture companies. A special stage of enormous size, 100 by 100 feet, has been erected in the middle of the Stadium for the show. For those who prefer to see the Chinese moving picture stars at close-range, special seats will be placed near the stage on the sodded ground, but for the majority of people, who do not mind being a little too far away, the entire seating of the Stadium will be available for 30 cents each seat. Special flood lights are being fitted and many microphones will be installed to carry the voices to the spectators through the loud-speakers.

Chinese fireworks of the kind rarely seen in this part of the country will be let off on to-morrow evening also at the Stadium.

LOAN SUBSCRIBED IN LESS THAN FIVE MINUTES

The "Loan Closed" notice was played outside the Loans and Banking Office of the Finance Department, Shanghai Municipal Council, at 10.05 a.m. on July 5. On July 2, a municipal notification was made, announcing the issue of \$3,000,000 debentures at 99 per cent., the rate of interest being 5 per cent. The subscription list opened at 10 a.m. on July 5 and in less than five minutes the full amount had been subscribed.

CHINA SOAP WORKS SCENE OF RIOT

N.C.H. Photos



Three hundred disgruntled workmen, who had just been granted increased pay, struck at the China Soap Company plant on July 2, demanding further money. They engaged in a fight with the police, in which several were injured on both sides. Scenes from the riot are shown above, with the "red marials" of the Reserve Unit standing by in Yangtzepoo Road.

POLICE STONED IN FACTORY RIOT

Three Foreigners Among Those Injured: Men Want Still More Wage Increases

Spurred on by agitators, 300 coolies at the China Soap Company factory, 2310 Yangtzepoo Road, rioted on the afternoon of July 2 and fought a handful of police from the Yangtzepoo Station, injuring three foreign policemen and three Chinese constables with pieces of concrete. Ironically, the disturbance followed the announcement that a general increase and various other benefits had been granted the workers from London.

The men wanted still more! The foreigners injured were Det. Sub-Insps. H. Willgoss, who is senior detective at Yangtzepoo Station; Det. Sgt. W. B. Hare-Duke, and Sgt. A. W. Smith. Hare-Duke and Smith both had to be taken to the General Hospital to be treated for face and scalp wounds. In addition, three Chinese constables suffered general body injuries and several of the rioters also were hurt. Nine of the leaders in the disturbance were arrested and will be brought before Court to-day.

Increase Announced

In the morning the news that a general increase and a more favourable scale of gratuities had been sanctioned by the head office in England, was announced to the employees. Instead of being pleased they, however, started to make demands for further increments, and then struck at 1 o'clock. Before striking they stopped the boilers and machinery generally. They went into the Chinese mess-room and started discussing their position.

At 1.30 p.m. the management called the police from Yangtzepoo Station and efforts were made to settle the problem peacefully. No solution, however, was reached. The 300 coolies, backed by some 200 women workers, refused to leave the mess-room and refused to send delegates to negotiate with the management.

After several warnings the police were called upon to eject the workers, at 3.30 o'clock. Sub-Insps. A. Turner and Det. Sub-Insps. Willgoss entered the room with a detail of uniformed and plain-clothes men and ordered the workers to leave. There followed fifteen minutes of brisk battling in the room, the coolies using crockery and the legs of chairs against the police. They were shifted outside, however, and made to file out into Yangtzepoo Road through a small door, the main gate being closed.

Amunition Handy

No sooner had they reached the roadway than they took advantage of the presence of piles of broken-up concrete left conveniently by road-workers. With this ammunition they renewed their attack on the comparatively small police party and inflicted the most serious injuries of the trouble. Det. Sgt. Hare-Duke received the worst treatment, being struck on the head and over the left eye and badly gashed. Sgt. Smith suffered cuts of the scalp, and Det.

Sub-Insps. Willgoss cuts and bruises of the arms and legs.

A public omnibus was standing outside the factory as the concrete missiles started flying. The passengers fled in terror, but the bus itself did not escape altogether. A zooming chunk of concrete went crashing through one of the windows. In the factory, windows also had been broken during the battle.

As soon as the workers had been ejected, a lock-out was declared. The red vans of the Reserve Unit sped to the scene, but calm had then already been restored. After a short while the Reserve Unit returned to their barracks in Chemulpo Road.

It was reported that the workers demand one month's pay a year for every year's service as bonus.

Seven of the workers arrested on July 2 were sentenced by Judge Hsiao in the First Special District Court on July 3 to imprisonment terms ranging from 20 days to six months.

DELEGATES VISIT SOOCHOW COURT

Request of the "Go to Prison" Sponsors is Refused

The sixteen sponsors of the "go to prison" movement in sympathy with the leaders of the "All-China National Salvation Association," now being tried in Soochow, proceeded to the city on July 5 to ask the court authorities to detain them on the ground that they are in hearty support of the work done by the leaders. They returned late on July 5.

The sponsors included Mme. Sun Yat-sen, widow of the late leader of the Kuomintang, and a group of writers and professors. While in Soochow, they interviewed the president and procurator of the court, expressing their view that the sole aim of the All-China National Salvation Association was to resist Japanese aggression, and if such work could be termed illegal and detrimental to the nation, then the delegation, who had either worked with the leaders of the Association or were in sympathy with them, should be held in the detention house in Soochow also.

The request of the delegate was refused, however, whereupon all sixteen made themselves at home in the reception room, and even sent out for some food. Shortly after 5 p.m., the procurator returned with a prominent lawyer as mediator, and advised them to return to Shanghai, pointing out that if the leaders' activities were solely for the "national salvation" of the country, they would not be found guilty and would be released.

He advised them to await patiently for the decision of the Court. After

EXCURSION ENDS IN GUARD ROOM

Two Britons are Detained by Chinese at Chapoo

At 6.30 a.m. on July 3, a merry party consisting of two Shanghai Britons with their wives and children set off in two cars for a summer holiday in Mokanshan. By 9 a.m., the whole party was in the rest house at Chapoo, the "holiday look" gone from their faces, all hope of reaching their destination abandoned. The foreigners in this unhappy position were Messrs. J. D. Adams, of the A.P.C., and J. Hart of the Shanghai Electric Construction Co. They were incarcerated by the Chapoo military authorities following an accident which occurred at 8.45 a.m. On approaching Chapoo, Mr. Adams, who was driving in front in a Hudson Eight Sedan, saw a detachment of soldiers ahead. He applied his brakes, and all of the detachment except one hopped out of the way.

The one unfortunate who was the cause of the whole incident was a youthful soldier from Honan by the name of Lu, aged eighteen. Lu walked right into the side of the car, and was slightly injured. Mr. Adams took him to the Chapoo hospital, where the soldier was detained. He was then preparing to drive on again when he was approached by a small party of soldiers, who placed him and his family under arrest. For no apparent reason, Mr. Hart, who had nothing whatever to do with the accident and was following in a hire car, was also placed under arrest together with his family. The whole party were then marched off to the Rest House, and placed under an armed guard.

Rescue Party Starts

Surrounded by a strong escort of soldiers, the two men walked (or rather marched) to the nearest telephone, and rang up the local offices of the Asiatic Petroleum Company, and H. M. Consulate-General. Both quickly set plans in motion for the release of the two men and their families. Three members of the local staff of the A.P.C. speeded out to Chapoo by car to visit their colleagues, and do all they could to secure their freedom. It was these three knights errant who told the "North-China Herald" about the incident immediately after their return on July 3.

"When we arrived at Chapoo," they said, "we found the women and children had already been released, and had been allowed to return to Shanghai in the hire car. We found both men in the rest house under armed guard. There was also one other man staying at the guest house, who, in order to cheer up the 'captives,' suggested that they should have a game of mahjongg with their guards."

"We told them that we would try to get them out, and then left for military headquarters. As we were leaving one of the soldiers evidently suspecting that we were helping the two men to make a 'clean getaway,' pointed his pistol threateningly at us. Arrived at headquarters, we interviewed the officer in charge, and went with him to the hospital to see the injured man. He was groaning loudly, but his injuries did not seem very serious."

"We then went back to headquarters, but further talking failed to secure the release of the two men, so we returned to the Rest House. Both men gave us reassuring messages to their wives, and with that we left for Shanghai. The men were treated very well by the military authorities, but were kept under an armed guard wherever they went. Hoping, no doubt, to restore the holiday spirit to the two captives, the officer in charge told them that they could bathe—provided that they left their trousers behind as security."

Released Next Day

Mr. J. D. Adams and Mr. J. Hart, were released at 10 a.m. on July 4 and returned to Shanghai at about noon.

It was because of the language difficulty and lack of easy communication that the two men were detained for a day and a night, according to Mr. Adams, who insisted on July 4 that he and his friend and their families were respectfully treated by the Chinese authorities throughout the incident.

The accident now has been reported to the proper insurance company, whose agents have taken the matter up. Mr. Adams has driven a car in Shanghai for years and has often passed over the road to Chapoo. He says he was unable to avert the mishap because the soldier was within a few feet of the car when he decided to cross the road in "chicken fashion."

some discussion, the delegation saw the reasonableness of the procurator's advice, and left Soochow by the 6 p.m. train for Shanghai.

U.S. COMMUNITY'S ELECTION RESULTS

Dr. J. C. McCracken is Made New Chairman

The results of the annual election for the General Committee of the American Community in Shanghai are now completed and the following committee will act for the coming year. Messrs. E. M. Gale, J. A. Mackay, H. E. Page, Col. C. F. B. Price, Dr. E. W. Lucecock (to serve for three years); Mrs. A. C. Cornish, Messrs. A. Bassett, P. Le Fevre, D. C. Reib, F. J. Twogood (to serve for two years); Messrs. N. F. Allmann, C. S. Franklin, O. G. Steen, H. W. Frick, Dr. J. C. McCracken (to serve for one year).

The ex-officio members of the committee are Mr. C. E. Gauss, U.S. Consul-General, Judge Milton J. Helmick, Mr. Julean Arnold, U.S. Commercial Attache, and Mr. W. H. Plant, Chairman of the U.S. Chamber of Commerce.

The following officers were elected for the coming year at a meeting of the committee held recently: Dr. J. C. McCracken, Chairman; Mr. O. G. Steen, Vice-Chairman; Mr. W. A. Adams, hon. secretary; Mr. H. W. Frick, hon. treasurer.

The following were named as chairman of the various committees: Mr. W. H. Plant, civilian relief; Mr. D. C. Reib, American School; Mr. J. S. Potter, entertainment; Mr. J. A. Mackay, audit; Mrs. A. C. Cornish, Thanksgiving Day.

Up to May 31, 1937, 335 Americans had contributed \$4,857 to community funds.

COUNCIL GREETES NEW SWEDISH ENVOY

Congratulations Extended to Baron Beck-Friis

Mr. C. S. Franklin, Chairman of the Municipal Council, has addressed the following letter to H. E. Baron Johan Beck-Friis:

I have the honour to acknowledge receipt of your letter of July 1, informing me that having been appointed Swedish Minister to China, you have from the day named over charge of the Swedish Consulate General to Mr. Erik Kronvall, Vice Consul.

I have also the honour to extend, on behalf of my colleagues on the Council and myself, our sincere congratulations on your promotion and to express our appreciation of the kind sentiments expressed in your letter.

NO DOPE HONGS IN SHANGHAI

Proposed Scheme to Go Before Consuls

Definite assurance that the proposed scheme for extending the Chinese registration of opium users into the International Settlement would not entail the opening of Opium Monopoly hongs in the Settlement, was made on July 5 by a spokesman for the Shanghai Municipal Council.

The scheme was considered at a Council meeting on June 30, when a special committee of three was appointed to study the plan and report on it to the Council. This committee is composed of Mr. Stirling Fessenden, Secretary General; Maj. F. W. Gerrard, Commissioner of Police; and Mr. R. T. Bryan, junr., Municipal Advocate.

It is learned that the Council has agreed to the proposal "in principle." It is intended that the S.M.C. shall establish an office for the registration of opium users and that the names of smokers shall be transmitted to the Shanghai City Government, which will issue the actual licences and collect the licence fees. The Settlement is to be reimbursed for expenses in operating the registration office. The latter is to function as a sort of clearing-house for the licences, which will be sent to it by the City Government for distribution to the registered smokers.

There are positively to be no opium hongs in the Settlement, it is said.

A further provision of the scheme is to arrange for the Settlement's convicted opium smokers to serve their terms in Chinese prisons instead of as at present, in the Ward Road Gaol.

The special committee, when it has completed its work, will report its findings directly to the Council. It is assumed that before any decision is reached, a consultation will be made with the Consular Body.

Current Licensing Method

In Chinese territory, at present, two kinds of opium smokers' licences are issued. They are really carrier's permits. One kind of licence costs \$5 and entitles the holder to carry ten days' allowance—that is, ten times the prescribed daily allowance. It is thus left to the addict's will-power to limit himself for ten days to the daily maximum. He is not strictly limited, however, to one purchase of ten days' ration. He can buy that amount at various retail hongs, only he is not supposed to carry more than ten days' allowance at one time. The permit is valid for six months and is not transferable.

The second kind of licence costs 60 cents and entitles the bearer to carry only three days' supply.

The opium all must be purchased from hongs of the Opium Monopoly and must bear the Government revenue stamp. There are believed to be 71 retail hongs in Chapel and Nantao, and eleven wholesale stores. They are supplied chiefly from the western and southwestern provinces via Hankow. Public dens are operated.

Under the rules set forth by the Opium Suppression Administration, the licences shall provide for progressively dwindling amounts. In practice, however, they often do not, and it is reported that the licences seldom bear more than the name and address (not always correct) of the smoker. The lines provided for him or her description are seldom filled in.

PROTEST AGAINST LIVESTOCK TAX

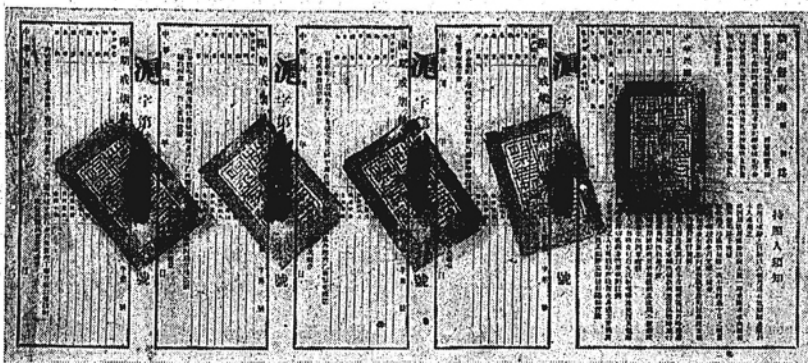
Ox and Sheep Not to Pass Through Concession

As a protest against the taxation of ox and sheep passing through the French Concession, none of the 80 members of the Shanghai Butchers Association, No. 8, Lane 239 Miller Road, sent any livestock to the French Municipal Abattoir on July 1, according to a spokesman of the organization.

Beginning this year, the French Municipal Council has been collecting 50 and 5 cents for each ox and sheep respectively passing through the Concession. The members have found this tax too heavy a burden to shoulder, the spokesman announced.

The decision to boycott the French Abattoir was reached at a meeting of the Association, when it was decided that the livestock should be brought into the Settlement through Chung Shan Road and that pending a settlement of the dispute, all livestock be sent to the Settlement Abattoir.

Usually a total of 70 oxen and 100 sheep are sent to the French Abattoir daily for consumption in the



CHINESE LICENCE ISSUED TO OPIUM ADDICTS

The licence shown above, with counterfoils, entitles the holder to have in his possession a certain amount of the drug. It is one of two types of opium licences issued by the Chinese City Government. A scheme which would extend the registration and licensing of addicts to the International Settlement is now before the Municipal Council.

INDEPENDENCE DAY CELEBRATIONS

Flag-Raising Ceremony, Parade, Receptions, Polo, All Held in Shanghai

JULY 5 was made a truly "Glorious Fourth" when from the flag raising ceremony which began at 8 a.m., through the official reception of the U.S. Consul General, Mr. C. E. Gauss, at the Columbia Country Club, the open house at the American Club, and the traditional polo match in the afternoon to the final festivities that night, Americans in Shanghai joined their fellow countrymen all over the world in doing honour to Independence Day. Other nationalities entered into the spirit of the occasion with congratulations and well-wishing.

Blessed with bright warm weather instead of the steady rain which dampened the activities last year, each event on the programme was carried out smoothly.

By 8 a.m. the Fourth U.S. Marines had marched from their billets down Bubbling Well Road to the Race Course to go into formation on the polo field. A small unit from the U.S. Sacramento was also on hand wearing white uniforms which contrasted sharply with the khaki summer drill order of the Marines.

The raising of the "Stars and Stripes" was done by three sailors while the soldiers and sailors presented arms smartly and the civilians who filled the area outside the polo field rose to attention. The "Star Spangled Banner" was stirringly rendered by the Fourth Marines Band as the flag fluttered in the warm morning breeze.

A 21-Gun Salute

A 21-gun salute was then fired by the Regiment, this tribute to the occasion resounding over the city.

While the regiment extended across the entire polo field, the band marched around the field playing characteristically American numbers such as "California Here I Come" and "Way Down South in Dixie."

The official, diplomatic, consular and military guests seated in the polo club and the crowds strung along the outside of the field were then treated to some smart drill. Orders snapped by the commanding officer were relayed by battalion officers and executed with precision. The "Officers Centre" followed.

The entire regiment, including machine gun units, then passed in review before the U.S. Consul General, Mr. C. E. Gauss, Col. H. C. Pierce, commanding officer of the Fourth U.S.M.C., Commander B. F. Perry, in command of the U.S.S. Sacramento, and Dr. J. C. McCracken, President of the American Community. The regiment passed the reviewing stand twice in different formations, heads snapping sharply to the right.

Officials of many nations were seated directly behind those taking the salute and the presence of many medals and yards of gold braid lent spectacle to the occasion which was concluded at 9 o'clock.

Consul-General's Reception

Between 300 and 400 guests attended the reception given by Mr. Gauss, the U.S. Consul-General, at the Columbia Country Club from 11:30 to 12:30 o'clock. Diplomatic, consular, and military officials of nearly all countries were greeted by Mr. Gauss in the main lounge of the club and then passed on to the enclosed terrace where cocktails and hors d'oeuvres were served. Marine and naval officers were invited en masse. There were no ladies present.

Exactly at noon, Mr. Gauss proposed a toast to the President of the United States, to which the assembly responded with enthusiasm. Music

French Concession. As a result of the Association's decision, the S.M.C. Abattoir was reported to have experienced a busier time.

for the reception was supplied by a section of the band of the Fourth U.S. Marines which was placed near the swimming pool facing the party.

A number of the guests at the Consul-General's reception went directly from the Columbia Country Club to the American Club where a tremendous open house affair was held from 12:30 to 1:30. Here too, no ladies were present but over 1,000 members, guests, and friends of nearly all nationalities poured in to make the ground floor and the fifth floor so crowded that it was almost impossible to move.

At 1 o'clock, Judge Milton J. Helmick was introduced by Mr. N. F. Allman, president of the American Club. Judge Helmick said in proposing a toast to President Roosevelt that "we all curse our country sometimes and we all find fault with it, but there is not one of us who is not proud to belong to it. Gentlemen, I give you the President of the United States."

The buffet luncheon provided by the club was exactly in keeping with the occasion, the tables surrounding the dining room being littered with American pies, ice-cream, Boston Baked Beans, cold salads of various types and all the necessary trimmings. A band from the Fourth U.S. Marines furnished gay music throughout the proceedings.

The Polo Game

The final event and of an entire week-end of Fourth of July celebrations was the polo match played at the Race Course between two strong American teams. A large crowd turned out to see the Cowboys and the Troopers vie for honours and the right to carry off the coveted British Fourth of July trophy. The cowboys won by 11 goals to five to win the coveted British Cup.

The spirit of celebration continued into the evening when all of the formal events were over. A large number of private parties in honour of the occasion were held and the popular ball rooms were well patronized despite the heat.

Because July 4 happened to fall on a Sunday this year the official day of celebration was made July 5. As a result the festivities celebrating the birth of the United States of America 161 years ago, were distributed over the entire week-end, including baseball and fireworks on Saturday and a special church service on July 4. It was altogether probably the biggest Fourth of July that Shanghai has had.

Church Service

The Fourth Marines Church Service and Concert on July 4 in the Cathay Theatre commemorated the national American holiday Independence Day. A special programme had been arranged for both the service itself and the concert and drew a capacity congregation. The theatre was filled, many stood in the aisles, and hundreds were turned away for lack of accommodation. Judge Milton J. Helmick was the Guest, delivering the Independence Day Address, in which he stressed America's privileges and responsibilities in a modern world.

JAPANESE HELD ON SPY CHARGE

Traveller in Chekiang Has Unhappy Experience

Following a brief detention by the authorities of Kashiwan Hsien, Chekiang, on the suspicion of espionage, a Japanese businessman was surrendered to the headquarters of the Shanghai-Woosung Garrison on July 2, the "Shanghai Nippo" reported on July 3.

The unfortunate man, the daily said, was Mr. Norio Watanabe, of the Ryuki Yoko, 74 Boone Road, dealers in industrial goods.

Completing a business visit to Hangchow, Mr. Watanabe decided to see the sights of Kashiwan Hsien. He was, however, immediately apprehended, questioned, and brought to Shanghai under guard.

The Japanese Embassy, the daily says, will shortly call the attention of the Chinese authorities to the frequency of similar incidents and ask for their termination.

Last month, Mr. Sutezo Sato, a geologist attached to the Shanghai Science Institute, and his Chinese assistant were detained in Hupeh on a suspicion of espionage. While the Japanese was speedily released, maps and geological data in his possession were confiscated.

ANNIVERSARY OF R-34 FLIGHT MARKED

The eighteenth anniversary of the trans-Atlantic flight of the R-34 was celebrated at the weekly tiffin meeting of the Royal Air Force Association, held on July 2 in the "Dome" atop the Hongkong and Shanghai Bank Building.

Mr. J. D. E. Shottor, who made the historic flight from East Fortune, Scotland, to America, was present, as were Mr. A. E. Bates, who was amongst those who saw the craft off at East Fortune, and Mr. Howard D. Norris, who welcomed the R-34 in the air in America.

The outward flight lasted 108 hours, and the return 75 hours.

LIMIT SET TO POWER OF RADIO STATIONS

Nanking, July 5. No broadcasting station in any part of the country may install radio equipment with a power exceeding 1,000 watts as this would interfere with the operation of the Central Broadcasting Station at Nanking. This ruling was recently made by the Ministry of Communications, and the Executive Yuan has therefore issued orders to the various Provincial and Municipal Governments enjoining that it be faithfully observed.—Kuo Min.

ARMED ROBBERS ENTER PIECE GOODS HONG

Shortly before 3 p.m. on July 5, two Chinese, one of whom was armed with a pistol, entered the 1st Fong Piece Goods Hong at Uroa 21, Lane 212 Tientsin Road, and held up the occupants. Speaking in the local dialect, they forced the shopkeepers to give them money and a gold watch to the total value of \$200.

They escaped, without firing any shots.

The Shanghai Summer Diseases Hospital in Yu Ya Ching Road has been opened. It has 120 beds which may be increased to 200 if necessary.

DIABOLICAL PLOT TO BLIND BRITON

Fiendish Crime Rehearsed Before Striking

The diabolical machinations of the gang of "tea-house plotters" responsible for the total blinding of Mr. John F. Knox, a British subject, on December 28 last, were revealed on June 29.

It was disclosed that the fiendish crime, based on a long-standing grudge which some of his workmen at the Shanghai Gas Company entertained against Mr. Knox, was carefully arranged and rehearsed before it was finally carried out in Dixwell Road, a short distance north of Uroa Road. It was to have been a "perfect crime," but sheer greed in the end tripped its perpetrators, as it was extortion on the part of the hired assassins which finally enabled the Police to arrest the whole gang.

Mr. Knox, who is 29 years old, had been employed in the works department of the Gas Company for a number of years. Some of his workmen, Kompo and Yangchow natives, resented alleged mistreatment and indignities at his hands and started to plot revenge about a month prior to the attack. Instead of seeking redress through regular channels, they took the matter into their own hands. Over little Chinese tea-cups in obscure inns of the Yangtzepoo district and Chapel, they concocted their scheme to wreak vengeance.

Use of Lime Rejected

Several such clandestine meetings were held and it was decided to blind Mr. Knox while on his way to work in Yangtzepoo. The workers involved suggested the use of lime, but the hired organizer of the plot insisted that a stronger substance be employed to ensure that the victim be thoroughly disabled and would never have control of the workers again. It was finally agreed to use strong nitric acid such as can easily be obtained in the neighbourhood of Chinese metal shops.

It was further decided that the attack must not take place in the vicinity of the Gas Company plant lest the disgruntled labourers be suspected.

Mr. Knox's movements in going to and from work were carefully studied, men following him on several occasions between his residence in Lane 955, Dixwell Road, and the Gas Company premises. It was established that he went by rickshaw to Broadway and Tiendong Road and then completed the journey to Yangtzepoo by tramcar.

One of the men who had followed Mr. Knox on these trips then took the proposed road, drove to the spot in Dixwell Road, near Uroa Road, where the crime was to be committed. Here the fiendish deed was stealthily rehearsed a few days before the gang actually struck.

Victim Waylaid

It was on the evening of December 28 that the attack was made. Mr. Knox left his residence at 9:45 o'clock as he would be on night duty. He engaged a public rickshaw and went along Dixwell Road. The assailant was waiting in the shadows of a market property a short distance north of the intersection of Uroa Road. He was armed with a small holding concentrated nitric acid purchased in a shop in Kung Woo Shing Road, Chapel.

As the rickshaw came into view, he darted out into the roadway. He dashed the contents of the vessel straight into the face of Mr. Knox. The unsuspecting foreigner emitted an agonized cry and tumbled from the rickshaw, blinded. The puller's neck was also burned by the acid, and the thrower himself suffered slight burns of the cheeks. Frantic with pain and screaming, the hapless Mr. Knox staggered along Dixwell Road seeking assistance. He was taken to the General Hospital and later physicians determined that he was totally blind.

The assailant, after the attack ran into Chapel and escaped.

A report of the outrage was made to the Kashiwan Road Police Station and Det. Sergt. G. W. Fowler was put in charge of the case.

Inquiries were patiently made for over three months and a reward was offered for the apprehension of the criminals. At the middle of April Det. Sergt. Fowler learned that money was being extorted from a number of Gas Company workers. The four workmen directly involved had signed an agreement committing them to silence. If other innocent workers were discharged or prosecuted, a fund would compensate them.

On June 23 Det. Sergt. Fowler arrested the assailant and subsequently the other defendants, in a swift series of raids. Three copies of the workers' agreement were seized.

CHINA STATION C-IN-C. FULL ADMIRAL

Reappointment to China for Sir Charles Little

Information has been received from London that Vice-Admiral Sir Charles Little, Commander-in-Chief of the China Station, has been promoted to Admiral. He has been reappointed to the China command on his promotion.

The following officers, included in the list of half-yearly British naval promotions, are serving, or have just lately served, in ships of the China Station:—

Commander to Captain:

N.V. Grace late in command of H.M.S. Grimsby.

Lt. Cmdr. to Commander:

T. Harland, late in command of Gunboat Scrab.

W. E. Banks, at present commanding H. M. Submarine Ostrich.

Lt.-Cmdr. (E) to Commander (E):

E. C. H. Featherstone, at present serving in H.M.S. Decoy.

Paymaster Commander to Paymaster Captain:

E. H. Wetley, late Secretary to Admiral Sir Howard Kelly.

Paymaster Lieut.-Commander to Paymaster Commander:

H. M. Horne, late Secretary to Admiral Sir Frederick Dreyer.

The following promotions have been made to date June 30, 1937, except where otherwise stated:—

Commander to Captain: (15)

Sir Philip Weyland Bowyer-Smyth.

Bl. Norman Vere Grace; John Gerald Yerburgh Lovebad; Thomas William Crane; Edward Lyon Berthon, D.S.C.; Hugh Merriman Barnes; Patrick William Beresford Brooking; Quintin Dick Graham; Alexander Henry Maxwell-Hyslop, A.M.; Maurice James Mansergh; Henry William Urquhart; McCall; Stephen Harry Tolson Arliss; Philip King Enright; Geoffrey Nigel Oliver; The Lord Louis Francis Albert Victor Nicholas Mountbatten, G.C.V.O.

Lieutenant-Commander to Commander: (28)

Hector Du Plessis Richardson; Arthur George West; Anthony Paul Colthurst; William James Wilson; Miles Cursham; Thomas Harland; Thomas William Marsh; William Eric Banks; David Henry Magnay; John Jefferies; Leslie Newton Brownlie; Michael Frederick Lyon Horrocks; Addison Joe Baker-Cresswell; Claude Walter George Mansel Woodhouse; John Hamilton Allison; Lionel Percival Skipwith; Leonard Chisholm Sinker; Ludovic Ernest Porter; Robert Francis Elkins; Stephen Hope; Carilli; Guy Willoughby; Harry Philip Curry; Alexander Pollock Gibson; Clarence Dismore Johnston; Arthur Reid Pedder; Harold Thomas Armstrong.

Engineer Commander to Engineer Captain: (3)

Alfred Cogill Bray; Cecil James Granville Mackenzie, M.V.O.; Henry William Aslett.

Commander (E) to Captain (E): (1)

Cuthbert Walter Sumner Gibson.

Lieutenant-Commander (E) to Commander (E): (10)

Ernest Charles Henry Featherstone; Edward Thomas Goddard; Thomas Arthur Hunter Walker; Frederick Graham Spratt Bowring; John Dudley Nelson H.A.M.; Arthur Haight; Arthur Hamilton Drake; Henry John Bedford Grylls; Robert Gregory Bakland; Evelyn Farnace.

Engineer Lieutenant-Commander to Engineer Commander: (2)

Henry Alan Higgs; Thomas Edwin Davies.

Surgeon Commander to Surgeon Captain: (2)

Frederick Cecil Wright, M.R.C.S., L.R.C.P. (to date 2nd July 1937); Henry Ellis Free White, C.V.O.; E. E. Ch.B. F.R.C.S. (ed) K.H.S. (to date July 2, 1937).

Paymaster Commander to Paymaster Captain: (2)

Henry Rogers, O.B.E.; Edwin Howard Wetley, O.B.E.

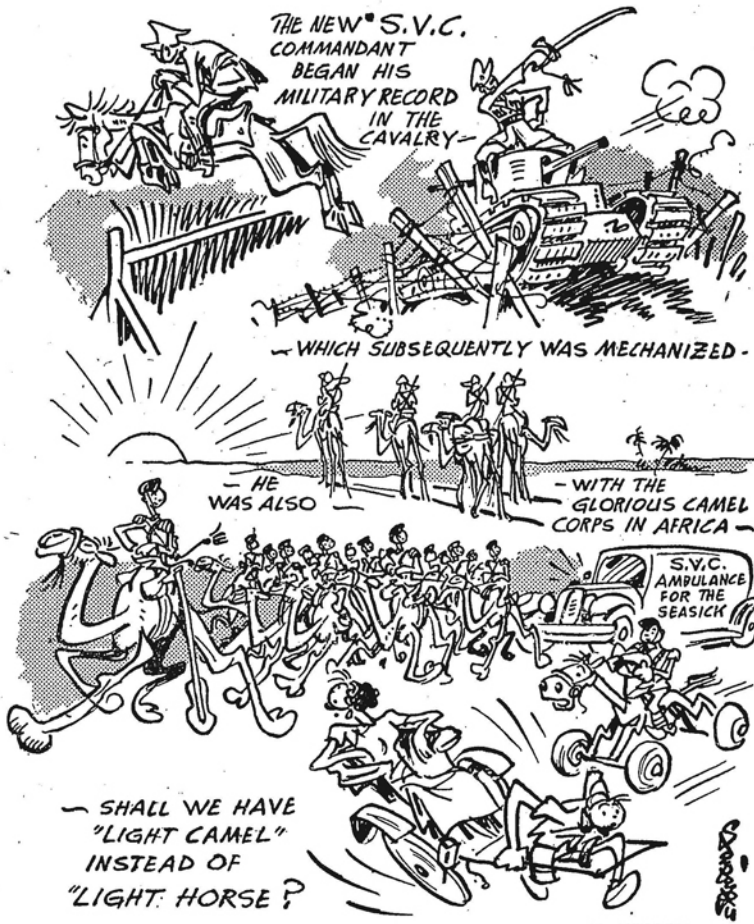
Paymaster Lieutenant-Commander to Paymaster Commander: (15)

Charles Robert Vernon Gibbs; Bertram Kingsley Hele Norgate; Norman Thomas Porteous Cooper; Stuart Frank Stapleton; Stanley Thomas Beardsworth; Frederick James Telling; William Sydney Ashby Stapley; William Stevens Cooper; Gerald Howitt Courtier; John Eustace Pibworth; Alfred Gordon Jones; Theodore Eric Dave; George Cecil Gwynne Marfell; Geoffrey Alwyn Joseph Schofield; Harold Metcalfe Horne.

DR. CHANG PO-LING NEW
PRESIDENT

Dr. Chang Po-ling was elected president of the Phi Tau Phi Scholastic Honour Society of China which concluded its two-day convention on July 2. Other officers elected for the next three years were: Dr. J. Usang Ly and Dr. Li Shu-tien, vice-presidents; Dr. C. F. Wu, secretary-treasurer; and Dean S. T. Yang, assistant secretary-treasurer.

Among the resolutions passed at the meeting were that post-graduate students are to be treated the same as graduating students for membership in the Society. After the business meeting, the delegates visited the Civic Centre and were later entertained by Mr. O. K. Yui, the Acting Mayor, at a restaurant in Fochow Road. Some of the delegates left for Kuling on July 2.



PROSPECTS FOR THE S.V.C.

By SAPAJOU

PUBLIC SCHOOLS PRIZE-GIVINGS

Ceremonies Held at Haskell Road School and the Polytechnic School for Chinese

The 33rd annual Speech Day of the S. M. C. Public School for Chinese in Haskell Road took place on June 29 when the presentation of school certificates to the graduating class and prizes to the pupils of the many grades was made by the headmaster, Mr. H. B. Lobb, and Major T. A. Zee, an honorable guest.

The function was marked by a fine musical programme from the students. The Rev. P. C. Lin, a senior assistant master spoke to the graduating class, stressing on the importance of personality in a man's life. Woo Feng-tieh and Sih Chui-jen, two members of the graduating class, replied in their farewell speeches, thanking the headmaster and the teaching staff for the academic attainments and expressing their deep appreciation and gratitude.

Mr. H. B. Lobb, the headmaster, in his brief report on the year's work, said that the School had a very successful term in athletic as well as in the academic side of the curricula. He asserted that the pupils worked hard throughout the year and deserved a good holiday in preparation for the autumn term.

POLYTECHNIC SCHOOL

The official prize-giving at the Polytechnic Public School for Chinese was held on June 29.

The prizes were presented by Dr. Wu Tze-lin, Dean of Chinan University, who spoke to the boys in a very interesting manner. He said that this was the first time he had visited the school and he was very pleasantly surprised at the uniformity and good manners of the boys. He spoke at length about "How to Study". Boys often studied mechanically from morning to night, trying to remember every word, without any other activities whatever. That was not the way to seek knowledge, but was the way to injure themselves. The correct way was to get to the heart of the book one was studying and try to pick out the important parts worth studying, neglecting the unimportant details. They should consult with and have faith in their teachers. They should spend their time intelligently, then one hour might be worth ten of the other kind. They should allow enough time for sports and exercise to prepare themselves for their work. If they took notice they would see that the best boys in any school were not the book-

worms, and it was always better to stick to the old saying, "work while you work, and play while you play."

Excellent School Results

Mr. R. G. Southerton, the acting headmaster, in reviewing the work for the past year, praised the staff and boys for the hard work they had put in. There was no graduating class on the present occasion as there was one at the end of last term and there would be another at the end of next term. In December last year boys sat for the school leaving certificate examination. Of these, nine obtained a full pass and one a conditional pass. This was a good result and the boys were to be congratulated.

The school was divided into four houses and marks were awarded for work, conduct, and athletics. The house which obtained the highest total had its name inscribed on the School Honours Board. On this occasion the winning house was Yen Wh, who also came first last year. The headmaster congratulated the winning house on their excellent showing of 97 per cent.

AURORA UNIVERSITY

The annual presentation of diplomas to graduates of the Aurora University was held on June 28, in the presence of a large number of foreign and Chinese officials and prominent residents. The ceremony opened with brief speeches by Dr. Hou Wen-yao, rector, and Father Gautier, chancellor, the distribution of diplomas following immediately.

M. Saussine, Minister plenipotentiary and Commercial Attaché of the French Legation, then spoke on "a very serious subject," that of laughter. Laughter, he said, was a blessing and one of the numerous gifts of Providence to Man. It enabled him to forget the tribulations of the past and stopped him from worrying over possible troubles in the future.

Laughter was a very useful gift and he asked his hearers to try and cultivate this gift, pointing out that a man who had a good sense of humour was a refreshing personality to all with whom he came into contact.

A total of 34 graduating diplomas of the past and stopped him from worrying over possible troubles in the future. A total of 34 graduating diplomas entered for the secondary examination (equivalent to the baccalaureat),

COL. HORNBY AS CHIEF OF S.V.C.

Selection of Col. Graham's Successor Confirmed

In reply to a letter sent by the Shanghai Municipal Council to the British War Office requesting the appointment of an officer to replace Col. F. R. W. Graham as Commandant of the Shanghai Volunteer Corps on expiry of his term of extended secondment on January 2, 1938, the following message has been received, "Subject to your approval the Army Council have selected Col. J. W. Hornby, M.C., at present on half pay, as Commandant, Shanghai Volunteer Corps, vice Col. Graham." This appointment was exclusively reported by the "North-China Herald" London correspondent last week.

Col. Hornby was born in 1887 and entered the Army as a Second Lieutenant on probation in 1906. He was promoted Lieutenant in 1909, Captain in 1917, Major in 1923, Lieutenant-Colonel in 1931, and Colonel in 1935. He has served with the Camel Constabulary in Somaliland, the Egyptian Army, and the Sudan Defence Force. The Municipal Council has approved the selection of the Army Council and arrangements will now be made for Col. Hornby's transfer to Shanghai. He will probably arrive towards the end of the year.

THREE NEW RIVER BOATS ORDERED BY C.M.S.N.

A contract for the building of three steel twin screw motor lighters has been signed by the China Merchants S. N. Co. with the Kiangnan Engineering Works recently, it was revealed at the head office of the shipping firm on June 30. The three vessels will be commissioned for the Middle Yangtze River service in the future.

All of the three boats will have a length of 252 feet, a breadth of 35 feet 6 inches and a draught of nine feet. With a deadweight of 975 tons and equipped with diesel engines of 500 B.H.P., these vessels will be capable of doing about 11 knots. The construction will be first class throughout.

It is expected that the boats will be delivered from the yards twelve to fourteen months hence. With the completion of these vessels, through service with the lower and upper river will be greatly facilitated, as it will be recalled that the Company ordered only a short time ago the building of two Upper Yangtze boats from the same dockyard.

RELIEF CAMPS FOR FAMINE ORPHANS

1,500 Being Accommodated by Welfare Association

Two relief camps for 1,500 famine orphans have been recently inaugurated by the National Child Welfare Association of China in Szechuen, according to a statement made by Mr. Jabin Hsu, General Secretary of the Association on July 2.

"The National Child Welfare Association of China has taken upon itself the responsibility of establishing relief camps for the famine-stricken children in Szechuen, Honan, Kansu and Shensi, where famine conditions are going from bad to worse."

"Mr. T. S. Chen, our Associate General Secretary, who was sent by the Association to establish relief camps, left here for Chungking by aeroplane two weeks ago. During his ten days' stay, Mr. Chen consulted with local authorities in making preparations for establishment of relief camps."

"The visit of Mr. Chen to Chungking aroused a great deal of interest among the local authorities and voluntary organizations for the relief of destitute children who had perhaps suffered worst than any other affected areas. A sum of \$25,000 has been contributed locally as the relief fund for famine orphans in response to an appeal made by Mr. Li Hong-kwen, Mayor of Chungking. Besides, a financial campaign for funds is being conducted by a special committee."

"Through the co-operation of local authorities and voluntary organizations, two relief camps were formally established. One relief camp for 1,000 famine orphans is established in Chungking and the other, in Tze-liu-tsing, the most affected area in Szechuen."

Maintained For One Year

"The relief camps are to be governed by a board of directors under the supervision of the National Child Welfare Association of China. The children are not only to be given food and shelter in the camps, but will be given education and training in the various forms of manual work."

"These camps, according to the plans formulated by the Association, will be maintained for a period of one year. The estimated expenditures for a camp of 500 inmates will amount to \$25,000 a year. More such camps will be established in other affected areas as soon as the Association finds the available funds."

"A relief camp for famine orphans will be established very soon in Chengtu, capital of Szechuen, according to a telegram sent from Chengtu by Mr. T. S. Chen, our Associate General Secretary. Mr. Liu Shang, Chairman of the Provisional Government of Szechuen, made a contribution of \$10,000.00 towards the funds for the establishment of the camps. Mr. Chen will fly to Kansu by aeroplane on an investigation trip in famine conditions as soon as the relief camp is established in Chengtu."

FAMILY SAVED FROM STARVATION

Sight of Desperate Mother Moves Japanese Woman

Some time ago, Mrs. Yasuko Suzumura, of Scott Road, came to the Seimei Hospital, Szechuen Road. While waiting there, she observed a young but haggard Japanese woman, with a crying baby in her lap.

Later, the woman took her child to the hospital's eye specialist. The mother looked so pitiful, Mrs. Suzumura told the "Mainichi," that one could be certain she could not pay for medical assistance.

Search for Woman

On her return home, Mrs. Suzumura kept recalling the sight of the sorrowful mother and her crying baby. Finally, no longer able to stand the mental anguish, she asked the Dixwell Road Station of the S.M.P. and her friends to locate the woman for her.

Late last week, the woman, her sick baby and her husband were found in a dilapidated house on North Szechuen Road. The entire family, said the paper, tried to live on five cents a day, which the husband managed to earn in a run-down barbershop.

Once, he was a prosperous barber in Yokohama, but, injured in a bad fall, he was obliged to return here. The baby was born after the couple arrived here.

"With her child going blind, the penniless woman in desperation appealed to a doctor to save her baby's sight."

The Good Samaritan, said the daily, has now found a position for the breadwinner, assured medical aid for the baby, and supplied the family with clothes and food.

HOTTA CAPTURED BY JAPANESE POLICE

Man Who Escaped from Gaol Again in Custody.

Masao Hotta, alias "The Fox," is behind the bars again. The elusive bandit was captured at 3 a.m. on July 2 by a detail of the Japanese Consular Police, as he was entering a Korean residence on Bubbling Well Road.

Dressed in a Chinese gown and looking haggard and tired, Hotta submitted to the guardians of law and order without a struggle.

It was, however, disclosed that the first two days after his daring escape, Hotta spent in a Chinese inn in the vicinity of the Great World Amusement Centre, at the corner of Yu Yaching and Nanking Roads.

Lodgings Constantly Changed

Aware of the intensive citywide search for him, Hotta thereafter moved from one lodging to another in the Chinese city, fearing identification as a Japanese and a subsequent report to the police.

In its search for Hotta, the Japanese Consular Police availed itself of the co-operation of the police authorities of the Settlement, the French Concession, and Greater Shanghai.

The Japanese minions of law did not, however, disclose the source of the tip which led them to the Bubbling Well address.

Hotta's escape from his cell came as a sequel to a 12-month unhappy combat with the law. He first broke into headlines in May, 1936, when the Sakae Shokai, gramophone dealers on Chapoo Road, decided to disperse with his services after he had mulcted the firm's customers of a large sum of money.

Transferred to the custody of the police, Hotta was taken to the Nagasaki prison, where he remained for four months.

He returned here in January and immediately instituted a one-man reign of terror in Shanghai's Japanese community. Representing himself as a beggar, a detective of the S.M.P., a shop messenger, and a seaman borrowing money for carfare to Woosung, "where my ship is anchored," Hotta entered Japanese homes and either borrowed money or took it by less gentle means.

Consular Official Robbed

His first recorded crime after his release from prison, the police said, was committed on January 28, when he is alleged to have stolen Y.55 from the pocket of a suit in the closet of a Japanese residence on N. Szechuen Road.

Following two hold-ups of children and servants, Hotta committed a fatal (for him) mistake of victimizing a consular official. On February 25, he entered the apartment of Mr. Ichiro Aoyagi, head of the political police section of the Japanese Consulate-General, in Pearce Apts., and robbed the servant of \$2.

Regarding the capture of Hotta a matter of honour, the Consular Police then launched a vigorous man-hunt. Six days later, the police learned that Hotta was watching a "gangster" movie at the Capitol Theatre.

Police officers were stationed at the theatre doors, ready to nab their man as soon as he left the building. But Hotta was still a step ahead of the police.

Recognizing familiar, although disliked, faces in the lobby, Hotta made a dash for the doors and raced down Museum Road. He was finally cornered by pouncing policemen on Hongkong Road and triumphantly installed in the Consular Police gaol. Nine weeks later he escaped.

"Modern Romeo"

Masao Hotta, alias "The Fox," was depicted on July 3 by the "Shanghai Mainichi" as a modern Romeo, who took to crime for the sake of a Korean Juliet, employed as a taxi-dancer in the Venus Cafe, Jukong Road.

Hotta first met the girl last year, when his conscience was still undimmed by daring, albeit very dishonest, deeds.

It was a case of love at first sight, said the daily, and poor Hotta began to think of ways and means of pleasing his materialistic Juliet. Thus, Hotta plunged headlong into a life of petty crime—the funds thus gained being spent for presents for his beloved.

But the Law kept up with Hotta, and he was sent to a Nagasaki jail for four months. On his return here in January, he again resumed his liaison with the girl. But there was no money, and in desperation "The Fox" became a burglar.

Korean revolutionaries in Nanking were accused on July 3 by Masao Hotta, alias "The Fox," of kidnapping him and taking away the money which he stole from a police safe on May 10, the local Japanese papers reported on July 4.



THE "FOX" SNARED AT LAST BY JAPANESE POLICE

There was great rejoicing at Japanese consular police headquarters on July 2 when, after two months, Masao Hotta, alias the "Fox," was recaptured after leading the police a merry chase. He was once under arrest but he broke out of gaol taking the proceeds of the safe with him. Hotta is seen on the left, with his captors (right) celebrating his arrest.

CHINESE CAPITAL WELCOME IN PHILIPPINES

Executive Speaks on the Mining Boom in the Islands: Possibilities of Base Metals

CHINESE capital will be welcomed in the Philippines mining industry, declared Mr. Conrado A. Uy, president and general manager of the Cagayan Iron Co., in a speech before members of the Shanghai Chapter of the Chinese Institute of Mining and Metallurgy on June 27. Mr. Uy, who spoke on "The Mining Boom and the Possibilities of Base Metals in the Philippines," said that he had learned from reliable sources that there were possibilities for Chinese capital here to get into the Philippine mining industry. If this were so, he could assure them that it would be very much welcomed in his country. The Philippines people had always respected the Chinese businessman because of his honesty and fairness.

Mr. Uy said that he understood that his friend Mr. Amada Yuzon had spoken to members of the Institute on the Philippines mining industry in general and its prospects in particular. Mr. Yuzon had dwelt at length on the enormous mineral wealth hidden beneath the mountains, hills and rivers of the Philippines, the output of production during the last five years, and the different kinds of minerals found. It was the speaker's purpose to give as faithful picture of the mining boom and the possibilities of base metals in the Philippines as possible.

The year 1936 was the banner year of the Philippines, an auspicious beginning to the life of the Commonwealth, inaugurated on November 15, 1935. Never before in the history of the country had government finances been more stable and secure. Internal revenue and customs collections reached new levels that went over those of 1927 and 1930. Foreign trade was augmented, insular trade hummed with activity as a new impetus was given to every line of endeavour.

The people became optimistic under these promising conditions which came in the wake of the mining boom that crept in almost imperceptibly about May, 1936. The reason why general business recovery in the United States augmented the boom in the Philippines was that most of the exports of the Philippines were marketed in the United States and were up to this allowed there without duty. The increased buying power in the Philippines was directed towards mining investments and speculation. Supplementary to this was the investment by American citizens of a large sum in the islands, 23 per cent. of which was in the mining business.

Paradise for Prospectors

Another factor contributing to the boom was that many if not most of the Philippine capitalists engaged in the sugar industry invested large sums in the mining business. They took the first opportunity of investing their money in this way when they saw good business in the mining industry. When the boom set in, the Philippines became a paradise for prospectors, mining engineers and speculators. Owing to the small number of mining engineers allowed to practise in the islands, and due to the crowding of simultaneous inspection and examination work that could be done only by such licensed mining engineers, fees became excessive and exorbitant.

The boom provided a veritable holiday feast for promoters, who were just waiting for a chance to recover their staggering losses of 1933. There were cases where shares were actually sold on a property that turned out to be rice paddies after preliminary geological inspection by a competent mining engineer. In order to protect investors, the Securities and Mining Acts were passed.

With the connivance of promoters and brokers, new issues were man-

ipulated and cornered. He knew of several mining companies whose stocks rose to fabulous levels within a short time through downright manipulation. Under this procedure, many clever promoters and brokers grew rich.

"I, too, am a mining promoter, but unfortunately I am still poor," declared the speaker, "poor because I believe in the ethics of the game."

Stocks Slagger

In the month of November, Manila stocks staggered, causing uneasiness among investors. Until the end of the following March, the market was featured with unsteady buying support. The crash was caused by the closing of the market with new and worthless issues, the unscrupulous activities of promoters and brokers, the passage of the Securities and Mining Acts, and the lack of steady investing support.

The crash, in his opinion, while it had brought financial worries to the investors, at least temporarily, had yielded certain positive and salutary results. These were the purging of the mining business of its undesirable, the stabilization of the market for gold shares, and the encouragement of mining in base metals.

Continuing, Mr. Uy spoke of the production of iron ore by the islands. It appeared that only 13 per cent. of the Japanese Empire's demand for iron ore was supplied by Japanese mines. In order that she could meet the requirements of her industries, Japan had to look to a neighbour for her supply, and this placed the Philippines as the only and surest source of supply. Japan became by compulsion the best market for Philippines iron ores.

Chromite had been the centre of attention of many foreign capitalists who came to the islands last year. Well-informed geologists, including representatives of the United States Bureau of Mines, had stated that of the five leading chrome-producing countries in the world, the Philippines was beginning to loom large and threatened to become the most important source of chromite.

Adequate Capital Needed

What he believed to be the primary need of the Philippine mining industry to-day was adequate capital to develop the boundless mineral resources of the country. He was sure that domestic capital was insufficient to carry on the industry. The Americans were well entrenched in the mining industry, and the Spanish and British also occupied firm ground. Italian capital had crept into this industry. But the Japanese were fast coming into the centre of the stage, primarily in base metal mining. Regions hitherto unexplored had been investigated by Japanese engineers.

He had learned from reliable sources that there were possibilities of Chinese capital here to get into the Philippine mining industry. If this were so, he could assure them that it would be very much welcomed in his country. The Philippine

PIGEON THAT LIKES POLICE STATIONS

Tientsin-Shanghai Flier Returning by Ship

About two weeks ago, twelve pigeons were released in Tientsin. Eleven of them set off for Shanghai, but the twelfth had ideas of its own. A bird from the Eastern Loft, it is apparently "uniform-conscious," for instead of embarking on the long flight to Shanghai it flew around to the cote of M. Daudrumez, Chief of the French Police Force of Tientsin; curiously enough, one of its owners in Shanghai is a Chief Inspector in the Shanghai Municipal Police.

While homing pigeons have been known to fly right across the United States, and one bird actually flew from western Europe to south-eastern Asia, this bird resolutely set its mind against any long-distance travelling, apparently, and is now being brought down to Shanghai by steamer. The honour of the Eastern Loft, however, was upheld by another bird of the same loft, which came in first, on June 29.

So far, only three birds have returned, although all are hoped to arrive outside their home cotes, in the near future; second and third place were won by the Wayside and Red Lofts, respectively. Although the weather near Tientsin was fine, that around Shanghai during the week was extremely poor. In addition to the elements, however, the birds had to contend with another danger; one of them arrived with slight injuries which showed it had been fired at by a shot-gun.

The birds were released by Divisional Inspector Greenslade of Tientsin. He noticed that one bird broke away from the group after they had circled round three times before setting out in a southerly direction, and he wondered if it later decided to catch up with the others or if Tientsin had captured its fancy. M. Daudrumez, noticing a strange bird around his cote, examined it and saw that it was marked "S.H.C." (Shanghai Homing Club) and accordingly informed Mr. Greenslade.

All twelve birds were taken up to Tientsin from Shanghai by aeroplane on June 18. They were later liberated from the roof of the B.M.C. Police Quarters by Mr. Greenslade. Last year four out of twelve birds safely negotiated the trip.

FOUR MEN SAVED BY DANISH SHIP

Found Clinging to Capsized Junk Near Woosung

Clinging desperately to their overturned junk, four Chinese boatmen were saved on July 2 after drifting for hours in the region of Knoll buoys No. 3 and 4 by the South Channel of the Yangtze River. Their saviours were the crew of the Danish cargo vessel Grete Maersk which happened to be sailing out from Shanghai on her way to the east coast of the United States via Japan ports, Los Angeles, and the Panama Canal. The ship steamed into sight when she was most-needed, for the boatmen, whose old junk had capsized a long time before in the face of difficult weather conditions, were almost drowned in the choppy ziv.

Hauled on board the Danish ship, handled locally by Melchers & Co. the four men were given some food and drink while a message was sent to Shanghai. As soon as the message was received here at 2 p.m. yesterday, a Customs cruiser was sent to the scene and the boatmen were transferred from the Grete Maersk and brought to Shanghai.

The Grete Maersk left Shanghai at 11.15 p.m. yesterday, and now, with her good deed well done, she is on her way to Japan ports. The survivors here are recuperating from their unhappy adventure and worrying chiefly about their material losses. There were no fatalities.

COMPLAINT AGAINST JAPANESE BOAT

A complaint has been lodged with the Tingshai Residents Association here by four fishermen against a certain Japanese fishing boat which was said to have collided with their junk in the vicinity of the Saddle Islands. The junk was sunk and the loadah drowned.

According to the fishermen, the accident occurred on June 21 when their junk was seeking shelter during a storm. Suddenly, a Japanese fishing boat appeared and collided with the junk, causing the latter to sink immediately. Despite their cry for help, the boat escaped.

All the four fishermen and the loadah clung to the mast, but the loadah, Shen Yuen-tai, was washed away by waves. A Customs pilot ship passing the place picked them up and sent them to Shanghai.

A NEW MUNICIPAL DISPENSARY

French Council to Meet a Long-Felt Need

Situated at the corner of Route Pere Froc and Rue Amiral Bayle, the new French Municipal Dispensary building was opened on June 29 by M. M. Baudez, the French Consul-General, in the presence of a large gathering of municipal officers and medical men. The new building, which is four stories high, was designed so as to meet every need that would be demanded of it, and at the same time the simple yet beautiful lines of modern architecture were not forgotten by the architect, MM. Leonard, Veyssiere and Kruze.

The ground floor contains the various consultation rooms for foreigners, the next two floors are reserved for the use of the prophylactic Institute, the others being for the use and residence of the Chinese medical personnel attached to the building.

The new building fills a long-felt need, for it will enable these attached to it to carry on their work with greater freedom, and this work will no longer be almost entirely confined to Chinese, as was the case with the old building. Even then, the number of cases coming before those concerned was over 70,000 a year.

HEALTH CONTEST IN NIPPON COMMUNITY

Best Boy and Girl Chosen for Shanghai

Beaming happily, a young boy and an equally young girl on June 29 heard themselves pronounced the healthiest children of Shanghai's Japanese community.

The crowns were earned by the children—Master Yasusuke Ohta and Miss Sumiyo Okamoto—after a series of elimination physical examinations for the healthiest pupils of the schools maintained by the Japanese Residents' Corporation.

On June 18, sixty-seven boys and girls were picked from among the thousands of Shanghai's Japanese youngsters. This number was whittled down to ten in the second examination, held on June 24.

On June 29, the Central Examination Committee for the selection of the healthiest children met at the Japanese Club and cast its vote in favour of Ohta and Okamoto.

The judges in the contest, which has been sponsored annually for the past four years by the "Shanghai Mainichi," included Mr. Masasaburo Amano, head of the Japanese Residents Corporation; Dr. Shinzo Shinjyo, President of the Shanghai Science Institute; Dr. Kan Tongu, Chairman of the Shanghai Japanese Medical Association; principals of local Japanese schools; and other civic officials.

Four other youngsters received honorable mentions. They were Master Koichiro Tani, Master Setsuo Sakane, Miss Keiko Yano, and Miss Chizuko Hayano.

people had always taken a friendly attitude towards Chinese capital, for the Chinese businessman was known in the Philippines for his honesty and fairness. With the coming of the Philippine Independence, they were eagerly looking forward to a bright future that assured well for a more intimate fellowship with the Chinese people.

Members of the Institute visited the Hsin Ho Hsing Iron & Steel Works, Pootung, on Sunday afternoon.

NANKING'S ENQUIRY ON SPECULATION

Reports Placed Before The Generalissimo

About two weeks after the investigation conducted by Mr. Wu Ting-chang, Minister of Industry, which resulted in the detention of two officials of the Ministry of Finance on the suspicion of being involved in the transactions on the cotton yarn market, Mr. Tsou Lin, Vice-Minister of Finance, has conducted a personal enquiry, also at the Cotton Goods Exchange.

Both the two ministers proceeded to Kuling on July 5 to interview Gen. Chiang Kai-shek on the matter. While the Minister of Industry had forwarded his report on the findings of his recent investigation, the Vice-Minister of Finance, in addition to his earlier telegraphic petition to the Generalissimo, absolving the two officials of the Ministry from complicity in market manipulations, carried to the summer resort a statement by all the brokers of the cotton exchange substantiating his petition.

The statement was said to have been prepared by the Vice-Minister of Finance after the conclusion of his enquiry. All the brokers were required to sign their names on it, saying that none of the two officials held in the capital had had any transaction on the cotton yarn market.

The two officials alleged to have been involved in the manipulations are: Mr. Wu Chi-ting, Director of the Internal Revenue Department of the Ministry of Finance, and Mr. Sheng Sheng-yi, Director of the Consolidated Tax Office for Kiangsu.

HUSBAND DIES IN THE MORNING

Wife in Chinese Court the Same Afternoon

On the morning of June 30, Mr. A. I. Sotov, general manager of the Tass News Agency, died in the afternoon, his wife, Valentina Sotov, appeared in the Second Branch of the Kiangsu High Court to answer questions relating to a recent seizure of books from her store by the police. She was released on bail.

Mr. Andrei Ivanovitch Sotov died in the morning at the Shanghai General Hospital, after an illness. The late Mr. Sotov was 38 years of age.

A short while ago a quantity of books was seized on the premises of the American Book & Supply Co., 841 Rubbling Well Road, by the police, and these books are still being examined by the local Kuomintang officials. Mrs. Sotov, who said she was manager of the company, appeared before the Chinese Court for questioning.

Warrant Difficulty

Mr. King S. Kum, the Assistant Municipal Advocate, who prosecuted, said that Warrant No. 2302, issued by Judge Dzen, did not state specifically whether it was Mrs. Sotov or the manager of the company who was wanted. A representative of the Shanghai City Government Police Bureau, however, was quite certain that Mrs. Sotov was the wanted party.

Mr. Sotov was in hospital at the time of the seizure of the books, and the police were now asking for a remand to give them time to make further enquiries, concluded Mr. Kum.

After Mrs. Sotov had answered one or two short questions, she was released by the Court on a shop or cash security of \$300.

CONCESSION ACCIDENT FIGURES FOR JUNE

No deaths were recorded by the Traffic Department of the French Police during June. A total of 271 accidents were recorded, 33 people being sent to hospital as a result. A further 93 were given treatment at hospitals and then released, while one case was given first aid treatment in a police station.

These figures compare favourably with May's figure of 307 accidents, with two fatalities, and the figure of 244 accidents and one fatality in the month of June, 1936.

INSCRIBED with the names of their owners, hundreds of paper dolls were thrown in the early hours on July 1 into the Whangpoo River on their way to the land of spirits. On June 30, the dolls were blessed by the priests of the Shanghai Shinto Shrine, Kiangwan Road, in the time-honoured purification ceremony. Thus purified and sent to the sea, the dolls are believed to be carrying away with them their owners' evil luck.



MOSCOW INFLUENCE?

By SAPAJOU

HOT WEATHER COMES AT LAST

Fourth of July Proves One of Warmest Days

Although not equalling the hottest day so far this year, June 7, when the temperature suddenly shot up to 97 degrees, on July 4 was more typical of real Shanghai summer weather than any day since then, the maximum temperature being 94.1, and the minimum 75.8. This followed a day which was but slightly cooler, Saturday's (July 3) top temperature being 91.4 degrees. A blazing sun burnt down practically throughout the day, and there was but little breeze to render the heat more bearable. Fortunately, however, the humidity was comparatively low.

A reflection of the hotter weather was seen in the large number of Chinese who slept on The Bund, on Saturday night, and Sunday night, and in the many to be seen sitting out in the open, on pavements, and elsewhere, to obtain the benefit of whatever breeze there was to be had. The Shanghai streets began to soften under the fierce rays of the sun, and P.W.D. coolies sprinkled gravel over the melting asphalt to prevent cars from sinking in. Several buses had already made large dents in the roads before this measure was taken.

HOLIDAY FOR OFFICE WORKERS

The first and second of July fell at a convenient time this year as they are followed by a Saturday, a half-holiday for most Shanghai office workers, making a four day period of leisure ending up with the Fourth of July celebrations.

Taking advantage of this long break just when the weather has been showing signs of the heat which lies ahead, many Shanghaiers made up parties to visit such favourite spots as Hangchow, which proved especially popular, as usual. Those remaining in Shanghai had such pleasant distractions as swimming, tennis and golf with which to while away their leisure hours. A party of sailing enthusiasts left for Mingchow on July 1.

Banks and many business houses shut their doors to allow their employees the benefit of the two bank holidays falling on July 1 and 2. Monday brings the holidays to an end, and a return to the weary round once more.

PULLER GRABS CHILD OF PASSENGER

Attempt to Get More Money Foiled by Foreigners

Two foreign women were able to save a Chinese woman and her two children from an awkward predicament on June 30 at about 10 a.m. at the corner of Nanking and Honan Roads. The Chinese woman and her children—one a babe in arms and the other a little boy of between two and three years—had got out of a rickshaw near the corner and had paid off the rickshaw puller. The mother then turned to go into a shop on the corner, but the puller, apparently dissatisfied with his fare, seized her little boy by the arm and refused to let him go until he was paid considerably more.

The distracted mother could do nothing, her arms being full with the other infant, and had to stand by until the terrified little boy's screams attracted the attention of two foreign women who were looking into a shop window close by. These two women immediately went to the rescue and, by striking the puller's wrists, forced him to loose his hold of the child, who ran to his mother and thence into the safety of the shop.

The whole scene was witnessed by a number of people on the top of a No. 1 bus which was held up at the intersection by the traffic signals. They had probably a better view of the incident than those on the ground level. Several of the passengers on the bus made a move to go to the rescue of the Chinese family, but they might have been wild animals in a cage for all the hope they had of getting out of the vehicle. This was probably fortunate for the rickshaw puller.

MAN BURIED ALIVE WHILE SHOVELLING COAL

A freak accident at the Riverside Station of the Shanghai Power Company cost the life of a Chinese stoker early on July 1. The man was shovelling coal at about 7 a.m. when he was buried in a slide and suffocated. He was removed from the coal and sent in an ambulance to the Lester Chinese Hospital, where he was pronounced dead.

The body was taken to the Public Morgue in Fearon Road and an inquest will be held there by the Procurator of the First Special District Court.

MAIL AIDS TO U.S. SHIPS TO END

Uncertainty in Mercantile Marine Harms Industry

There is a feeling of great uncertainty among the shipping interests in the United States, declared Mr. Roger D. Lampham, President of the American Hawaiian Steamship Company, when interviewed on June 29 by a representative of the "North-China Herald." Accompanied by Mrs. Lampham, he is on a rest and pleasure trip to the Orient, trying to forget the disquieting situation in the United States.

The new United States Maritime Commission is confronted with a tremendous task, he said. All government mail contracts were to be cancelled on June 30, and just when the new contracts will be drawn up by the Commission is unknown. The job was placed in their hands in May, giving them only two months in which to accomplish an enormous piece of work. Meanwhile, shipping interests, and he was speaking particularly for the Oceanic and Oriental line, do not know where they stand with regard to mail contracts and government subsidies for the future.

Much faith is placed by Mr. Lampham in Mr. Kennedy, chief of the Maritime Commission, who, he says, is a first class business man not too well versed in shipping affairs, who accepted the position because he was especially asked to by President Roosevelt. That things may yet work out well for the United States Merchant Marine was the optimistic note on which Mr. Lampham dwelt in conclusion.

HIRE-CAR STOLEN BY ARMED MEN

The police were yesterday searching for a hire-car from the Johnson Garage which was stolen by armed bandits early on July 5.

Three Chinese hired the vehicle at the Peking Road garage of the company at 11 o'clock on Sunday evening. They rode for two hours, then told the driver to take them to Point Road, and near Fasting Road they forced him to leave his car. They took charge and drove off in an easterly direction. Two of the men displayed pistols while intimidating the driver.

Boy Meets Girl, Then Woe

Young Japanese Finds Romance Shattered

Disillusioned, but wiser in the ways of the world, a 25-year-old Tokyo youth sailed for Japan in the Shanghai Maru on July 4 after an overnight stay in Shanghai, the Shanghai Nippo states.

The youth's expensive, but brief visit to Shanghai, brought an unusual anti-climax to a real life episode on the perennial "boy meets girl" pattern, the Japanese daily said. On his way to Nagasaki for a vacation, the young man met a young woman on the train. They struck up an acquaintance and by the time they reached Nagasaki the youth was determined to follow the girl to Shanghai.

The latter, he told the Japanese Consular Police here indicated that she was single and ready to marry him. She further intimated that jobs were lying around for the asking in Shanghai. The 28-hour crossing from Nagasaki to Shanghai was "idyllic," the Shanghai Nippo went on. And little did the young man know what was in store for him here. First he saw the girl waving at a man on the pier; next he saw the man come aboard and take charge of the girl's baggage; thirdly, the girl and the man came up to him, and fourthly, the girl introduced the man as her husband.

Dazed and speechless, the youth wandered ashore and was picked up by a consular policeman. Taken to headquarters, he revealed his story. He also disclosed that he was penniless.

He produced a wrist watch and a ring as security for a loan.

STATES LINE OFFICE HERE TO CLOSE

Ships' Future Runs Hinge on U.S. Maritime Commission

The Shanghai branch office of the States Steamship Company is to be closed on August 19. In its place a local agency is expected to spring up to handle the ships of the States line and of the other lines for which the States Steamship Company's branch office is now acting as agent.

Beyond the date of closing the branch here, the local office is uncertain of the future in regard to what ships will continue the trans-Pacific run. It depends on what aid is given by the U.S. Maritime Commission and how soon that aid is given.

The last "General" ship scheduled to sail out here from Portland, Oregon, is the General Pershing, due in Shanghai on July 19. No sailing dates have been set for the General Lee, recently in port, or the General Sherman.

The States Steamship Company's charters of the three "General" ships still have about fifteen months before expiring but without government aid, the company can not afford to run the ships to Shanghai. The "Golden" ships belong to the Oceanic and Oriental line. The company and the local States Steamship branch office merely acts as agent. It also acts as agent for the Pioneer Line's vessels, namely the ss. Ward, the ss. Potter, etc. It is own vessels are named after states.

Fifty per cent. of the Oceanic and Oriental line is owned by the American Hawaiian ss. Company and the other fifty per cent. is controlled by the O. & O. Mr. Roger Lampham, President of the American Hawaiian Steamship Co., recently expressed great uncertainty as to a representative of the "North-China Daily News" as to the future of the "Golden" ships. It was a case of waiting to see what the U.S. Maritime Commission would do.

Six Months' Trial

Washington, July 1. Effective to-day, 151 ships flying the American flag will begin six months' experimental operation under a new Government subsidy which replaces expiring mail contracts, Mr. Joseph P. Kennedy, Maritime Commissioner, announced here to-day.

With a total of sixteen agreements, the Government will pay the shipowners the difference in operating costs between American and foreign lines. Companies which have entered into the agreement include the Oceanic Steamship Co. operating between California, Honolulu, Australia and New Zealand. Thus far the Government has not reached agreements with the Munson Lines, the Dollar Line, the United Fruit Line, the Waterman Line or the American Line.

Mr. Kennedy said that the Dollar Line owed the Government \$15,000,000. He indicated that legal action might play a settlement.

Subsidies for the six-month period will amount to \$4,645,580 as compared with previous mail contract payments of \$8,058,892.—United Press.

DR. ALFRED SZE HONOURED

Addresses American University Club on "Good Neighbour" Policies

At the annual meeting of the American University Club, Judge Milton J. Helmick presiding, held on June 29 in the American Club, Dr. Alfred Sze, former Ambassador to Washington, having pointed out the cordial relations existing between Canada and the United States for over a century and the beneficial effects of President Roosevelt's "good neighbour" policy, emphasized that peaceful relations between Japan and China cannot be cultivated by a forceful exploitation of China.

Dr. Sze further emphasized, "It will be a red letter day in the history of nations, specially China, Japan and America, when all fear and suspicion are removed between China and Japan and that the 'good neighbour' policy which has so successfully been inaugurated on the eastern shores of the Pacific shall be introduced and pursued by the nations bordering on the western shores of that great ocean."

Judge Helmick, in his retiring remarks, intimated that the past year had been most successful by reason of the close co-operation of officers, executive committee and members, as well as the officials of the various college groups. They had held six affairs, the annual ball, several tea dances, a farewell tiffin to students going to America and the associated dinner in honour of Dr. Hu Shih. The active membership of the Club, including 160 life members, totalled 462. The Club had suffered severe losses during the year in the death of Messrs. J. B. Lee, W. W. Lockwood, Dr. Y. S. Tsao and Dr. W. S. New. The J. B. Lee Scholarship Fund was nearing the \$2,000-mark and he hoped that shortly additional gifts would top their goal. The receipts were being devoted to the education of their late secretary's two children.

Election of Officers

The nomination committee proposed the following names as officers for the ensuing year:—Dr. F. C. Yen, president; Mr. A. C. Cornish, vice-president; Mr. Alfred Lee, secretary; and Mr. J. B. Pilcher, treasurer. There being no nominations from the floor these gentlemen were duly elected.

At the instance of Judge Helmick, Dr. Yen took the chair at once and, pointing out that the Club had progressed notably as a social unit, said that they could have broader objectives as well, such as furthering the interchange of professorships between Chinese and American universities, as well as sponsoring fellowships.

In introducing the speaker of the day, Dr. Yen insisted that he had blazed a trail in Sino-American relations—not only had he spent twelve years in American scholastic institutions (at his own expense) but he also had served eleven years in a diplomatic capacity. His time in the United States covered nearly one half of his career.

Dr. Sze was greeted by spontaneous applause, the entire assembly rising to their feet. He assured his listeners that he appreciated the opportunity of addressing them and, as a matter of fact he thought that he was instrumental with two others in founding the first American University Club in China in 1906, in Peking. He recalled several American cities, when, on his return from America and on arriving in Yokohama, he had received the formal application asking him to speak—"I saw a sign on entering a city which said, go slow and see our city, drive fast and see our judge." I came as quickly as business would allow me to see your judge."

Neighbourliness

Dr. Sze's address follows:—

In speaking to you to-day on the subject of good neighbours in international relations, a recent statement made by that great South African statesman, General Smuts, on the European situation comes naturally to my mind. This statement was to the effect that one of the prime reasons for the existence of unsatisfactory international conditions in Europe was the fact that the nations were in fear of one another. "Fear," he said, "is to-day the real driving force in our European relations. Fear, the meanest of human motives, is to-day the master of us all."

Certainly, conditions in Europe, as evidenced by the feverish increase of armaments, have not improved, and I cannot but contrast, in my mind, this situation with that which I find in America. Instead of becoming worse, international relations between the nations of the two American continents have improved, and specially is this true as to the feelings and relations between the peoples of Latin America, that is, of South and Central America, and the people of the United States, and it is but justice to the United States to say that this improvement has, in large measure, been due to enlightened efforts to that end.

American Imperialism Feared

It cannot be denied that, until very recent years, the international policies of the United States were viewed with considerable suspicion by the governments and peoples of

the American countries. When they saw Porto Rico annexed, Cuba more or less controlled, the Panama region dominated, and countries like Haiti, Santo Domingo and Nicaragua occupied by United States troops, and their policies dictated, they were not able to convince themselves that the United States was without imperialist ambitions that might affect themselves.

They disliked even the Monroe Doctrine which, though it appeared to serve as a shield of defence for themselves as against possible foreign conquest or intervention, nevertheless it seemed to them to indicate a claim by the United States of a sort of protective overlordship over themselves. This feeling was intensified by the declaration repeatedly made by the United States Government that the Monroe Doctrine was one for which the United States was solely responsible; that the United States had the sole right to define its scope and to determine when and under what circumstances it should be applied.

"Good Neighbour" Policy

I mention these factors of fear, at least, of suspicion, because of the extent to which, during the last few years, they have been removed by the "good neighbour" policy which the present administration at Washington has pursued, a policy which it has pursued not only in word but also in deed, and in the economic as well as in the political field.

Upon its negative side, this "good neighbour" policy has included a declaration by the United States that, in the future, she will not, for any purpose, send her armed forces across borders into the territory of a neighbouring state, and to this declaration has given a retroactive effect by withdrawing her forces from Latin American countries where they were already stationed. Also, the United States has entered into new treaties with Cuba and Panama which have removed objections felt by these countries to the former treaties.

Upon its affirmative side, the United States has sought to give content to its "good neighbour" policy by negotiating mutually beneficial trade agreements.

Pres. Roosevelt's Statement

As to her policy with regard to non-intervention in the affairs of other American countries, we have the following statement by President Roosevelt in last December at the opening of the Inter-American Conference for the Maintenance of Peace:

"We cannot countenance aggression from whosoever it may come from people of each and every one of the American republics—and, I am confident, the people of the Dominion of Canada as well—wish to lead their own lives free from desire for conquest and free from fear of conquest, free at the same time to expand their cultural and intellectual relationships and to take counsel together to encourage at present progress of modern civilization. Our aims will best be served by agreements which bring peace, security, and friendship among all our neighbours."

I have dealt upon this "good neighbour" policy of the United States because it has given such a striking demonstration of the extent to which international relations can be improved by enlightened policies which are not only declared but their sincerity shown in actual deeds. At the present time that fear of which General Smuts spoke and to which I referred at the beginning of my remarks, has been largely dissipated, if not wholly removed from the American continents.

U.S.-Canadian Relations

A further and striking evidence of the possibility of removing fear and suspicion of neighbouring states, however powerful, is furnished by the relations which exist between the Dominion of Canada and the United States. Here there are two states with long contiguous borders and yet without any fear by the weaker of them of aggression on the part of the stronger neighbour. This absence of fear upon the part of the Canadians is not due to the fact that the interests of the two countries are, and have been, identical. By no means. There have been in the past frequent controversies, some of them

FRESH AIR CAMP FOR CHILDREN

N.C.H. Photos



June 30 was "open house" at Shanghai's fresh air camp for underprivileged children. In the top picture are a group of visitors and committee members, from left to right, Mrs. C. Ivery, Mrs. D. E. Biggar, Mrs. A. N. Young, Mrs. C. B. Morrison, Mrs. Wirt Leonard. Below are shown some of the girls who enjoyed tea during the party.

of an acute character. I need only refer to the War of 1812 between the United States and Great Britain in the course of which Canada was twice invaded by American troops; to the boundary dispute between the State of Maine of the American Union and the Province of New Brunswick of the Canadian Dominion; to the Oregon boundary dispute; to the dispute with regard to the boundaries of Alaska; to the Caroline case exhibited by the destruction by Canadian forces of a ship in American waters. Also Canadians have not always seen eye to eye with the United States with regard to fisheries and the killing of fur seals.

At the present time, the commercial policies of Canada to the extent that they are embodied in the agreements reached at the Ottawa Imperial Conference, are not regarded with favour by commercial interests in the United States, nor are certain features of the tariff policies of the United States highly approved by the Canadians.

No Fear of Armed Pressure

Notwithstanding the diversity of Canadian and American interests and opinions as exhibited by the controversies I have mentioned, Canadians have no fear that armed pressure will be exerted upon them by the people of the United States. The long land borders between the two countries have never been fortified or guarded by troops, and, for 120 years there has been in force an agreement between the two countries that no vessels of war shall be maintained upon the Great Lakes. Certainly, for many years now, the element of fear, of which General Smuts spoke, has played no part whatsoever in Canadian-American relations.

I am convinced that what has happened and what is happening in the Americas presents a proof of what can result from peaceful and co-operative international efforts. There in the Americas one might expect to find a fertile field for fear inasmuch as there is one country so powerful from every point of view that would be possible for her to play the part of an aggressive superpower, and yet by policies it has quieted all possible fears of the neighbouring states, both great and small.

I have said these things not so much to laud the United States, as to show what has happened in the Western Hemisphere can happen in other parts of the world. I am persuaded that other nations of the world, if they would try, can also succeed to remove fear and suspicion as elements in their international relations and plant in their place a common conviction that they will

pursue nothing but mutually friendly and truly co-operative policies.

Significance for Far East

I feel what I have stated possesses a peculiar significance and interest for the peoples of the Far East. It would be idle to deny that the relations between China and Japan are at the present moment not unsatisfactory.

China has always been an admirer of Japan. Our neighbour had within the short space of a single generation emerged from isolation of feudal military autocracy into a modern industrialized state. She had under the guidance of a very far-sighted group of elder statesmen assimilated with extraordinary rapidity, the material elements of a Western civilization.

But China must develop in her own way, by her own people and according to her own genius. In the words of Mr. Stimson, "She (China) cannot be dominated or driven by outside force into an alien or undesired form of evolution. Hers is the most persistent national culture in the world. Forty centuries have demonstrated that fact. Also the essentially peaceful character of her domestic and internal culture is now the main stabilizing factor of Asia."

Oriental "Good Neighbour" Policy

I share with Mr. Stimson the hope that, much sooner than now seems likely, Japan will again realize that her own lasting interest is more dependent upon friendly commerce and political relations with China than with any other nation; that such relations cannot be cultivated by a forcible exploitation of China. It will be a red letter day in the history of nations, specially of China, Japan and America, when all fear and suspicion are removed between China and Japan and that the "good neighbour" policy which has been so successfully inaugurated on the eastern shore of the Pacific shall be introduced and pursued by the nations bordering on the western shore of that great ocean.

I cannot do better than conclude this short address with the words with which my friend and former colleague Mr. Stimson concludes his great book, "The Far Eastern Crisis":

"Our overwhelming problems will ultimately be solved; they will be solved by progress on the course already charted by mankind, and according to the principles for which the wise, the liberal, and the brave of all ages have laboured. It is our business to see to it, through the exercise of faith and courage, that the intervening period of doubt and uncertainty be rendered as brief and innocuous as possible."

POOR CHILDREN IN SUMMER CAMP

"Open House" at Shanghai's Fresh Air Village

Visitors who motored out to the "open house" of the Children's Fresh Air Camp on June 30, saw just how happy 43 boys and girls could be, playing in the sun, stuffing themselves with good, wholesome food, and watching the gardener tend the vegetables.

These 43 children, 27 girls and sixteen boys, are at the camp for two weeks. On July 7 a new batch of little girls will replace the present ones for a two weeks' holiday in the sunshine. A new group of boys changed places with the ones already at Millington's Camp on July 3.

The camp, sponsored by the Joint Committee of Shanghai Women's Organizations, caters to the underprivileged foreign children of Shanghai. That is, those whose parents cannot afford to give them holiday trips. In fact in some cases there's no money in the home at all and in others there are not even any parents to watch over the poor little children.

The camp, situated at Great Western and Warren Roads, was started four years ago. It has grown by leaps and bounds but even now there is not room to take care of all the children who should have the camp's benefits.

Boys' Camp

Until now boys could only come to camp in August, after all the little girls had had their turn. This year a special benefit was held and enough money raised to give the boys their own quarters at Millington's Camp, just across the road. The boys, supervised by Mr. Victor Peter, come over at meal time and join the girls.

The children are happy in their "jungle" gymnasium; there are a couple of old bicycles, a swing, a victrola and other games and toys to amuse the children. Sheets and shoes are needed for the campers, according to the committee.

LEADER OF HIGHWAY GANG ARRESTED

Confesses to Abduction of Two Bankers

Wanted for the abduction of two bankers on the Hangchow-Nanking highway recently, Chow Tse-pang, alias Chow Ting-chien, is being escorted to Hangchow by Lungwa gendarmes to answer charges of armed kidnapping before a Hangchow court.

The man was arrested at No. 4 Chung Yen Fang, off Rue Lagrange, late on June 29 and was brought before the Second Special District Court in the French Concession on June 30, when the request by agents of the Chekiang Peace Preservation Corps Headquarters for his extradition was granted.

The court proceedings were brief. Asked his occupation, the suspect replied with a grin, "robber." Hereupon the judge reminded him of the seriousness of the case and that whatever he said before him would be used as evidence against him in a subsequent prosecution.

The suspect reiterated his reply, explaining that he had been a robber since 17 years old. He is now 36, and during all these years he had been carrying on the trade. He further agreed to the proposed extradition, saying that he was the leader of the gang responsible for the kidnapping of the two bankers, Mr. Hsu Peh-yuan and Mr. Hsu Pao-hwa, on April 18 on the highway, and hence he should return to Hangchow.

According to the suspect, altogether six persons took part in the crime. Immediate action taken by the Chekiang authorities made their escape with their victims impossible, and consequently four of the gangsters were arrested near Hangchow and he escaped to Shanghai. His wife escaped to an unknown place.

A representative of the Chekiang Peace Preservation Corps appeared in Court with documents from the Headquarters asking for the extradition of the man. It was pointed out that the suspect had been traced to Shanghai by agents of the Corps. The request was granted.

ANOTHER RECORD REVENUE FOR C.M.S.N.

The operating revenue of the China Merchants S. N. Co. has reached another record high of \$1,114,244.31 in the month of April, figures released by the company indicate. The amount represents an increase of 77 per cent. over the figure of \$628,274.96 for the corresponding month last year. As compared with the receipts of \$575,900.09 for the same month in 1935 prior to the reorganization of the company, the increase amounts to practically 100 per cent.

Arrivals and Departures

SINO-JAPANESE READJUSTMENT TO-DAY

Atmosphere Unsuitable in Two Countries: Mr. S. Kawagoe Returns to China Post

Returning from a two-month furlough in Japan, during which he saw Mr. Koki Hirota return to the helm of Japanese diplomacy, Mr. Shigeru Kawagoe, Ambassador to China, on June 29 reiterated his "unswerving conviction" that the time would come for an understanding between Japan and China.

"It is true that the atmosphere in both countries is unsuitable for a political readjustment of mutual relations at this time," the envoy said. "But I firmly believe that Sino-Japanese relations can be adjusted by an improvement of this atmosphere," he added.

The fostering of better mutual feeling between Japan and China, Mr. Kawagoe continued, was "the duty" of the statesmen of both countries. "Japan does not want war," he re-

marked, "and I believed that China shares the same feeling. It is conceivable that friction may occur between Japan and China as the two countries progress. But it is up to the statesmen and the diplomats of both countries to minimize such friction before it becomes dangerous."

Statements Misinterpreted

Mr. Kawagoe said he believed that the Chinese had misinterpreted the statements he had made to reporters on the eve of his departure from Tokyo.

"What we wish with regard to the economic development of North China is to promote the welfare of the people of North China without incurring any losses in the process."

"We feel that problems that can be solved by means of negotiations with regional authorities should be dealt in that manner, while it is only natural that questions requiring discussion with the Central Government should be referred to Nanking," he stated.

Japan's Example Followed

"What struck me most during my visit to Japan," Mr. Kawagoe went on, "was the widespread realization of the educated Japanese that China is fast becoming a modern nation, following to a certain extent, Japan's example."

"The 'new concept' of China is widely accepted. Simultaneously, Japan is forging ahead rapidly in all respects," he remarked.

The ambassador declined to discuss the outlook of the projected Anglo-Japanese conversations remarking that the question had "just been taken up." Mr. Kawagoe said that he would proceed to Nanking in "two or three days." He expressed doubts that he would see Dr. Wang Chung-hui, Foreign Minister, as the latter was proceeding to Kuling on July 2.

"I have nothing urgent to discuss with him now," he remarked.

FAREWELL PARTY TO S.M.R. MANAGER

Local Chinese and Japanese notables met at the Japanese Club on July 1 for a farewell tea party for Mr. Tadashi Dohi, the retiring manager of the local office of the South Manchuria Railway Company, who has been appointed Vice-Mayor of Mukden. Mrs. Dohi was also present.

The Chinese guests included Acting Mayor O. K. Yui, of Greater Shanghai; Mr. Wang Chang-chun, Counselor of the Greater Shanghai Municipality; Mr. Yu Ya-ching, General Manager of the San Peh Steamship Navigating Company; and Mr. Hsing-ho Hsu, General Manager of the National Commercial Bank.

The Japanese guests included the Japanese Consul-General, Mr. Sue-masa Okamoto; Major-Gen. Seichi Kita, military attaché; Rear-Admiral Denshichi Okochi, Commander of the Special Naval Landing Party; Dr. Shinzo Shiryo, President of the Shanghai Science Institute; and Mr. Masuaburo Amano, head of the Japanese Residents Corp.

Mr. and Mrs. Dohi are leaving here for Dairen, en route to Mukden, on July 6 aboard the Dairen Maru.

SERGT. W. BLABON LEAVING POLICE

A large number of his comrades in the Shanghai Municipal Police attended a presentation to Sergt. William Caspar Blabon, one of the American members of the Force, on July 2 at the Dixwell Road Station Quarters. Sergt. Blabon, who hails from Cupertino, California, joined the Police in May, 1936, and was promoted Sergeant in May, 1937. He will leave the Force on July 6 to return to America. He has been attached to various Stations and the Reserve Unit, and is noted for his knowledge of languages, having served as interpreter in Court cases.

Sub-Insps. W. B. Curtis, on behalf of the Foreign Branch, S.M.P., made the presentations last night, the gifts being an inscribed silver cigarette case and a silver ash-tray. He spoke briefly of Mr. Blabon's service here and of his social qualities which had earned for him such a large number of friends.

Mr. T. V. Soong, member of the Standing Committee of the National Economic Council and concurrently Chairman of the Bank of China, returned from Kuling on July 2 by aeroplane. Greeting him at the Lung-hwa Aerodrome at 1.35 p.m. were Gen. Yang Hu, Mr. Loy Chang, Dr. T. C. Tai, Mr. Liu King-san and Mr. T. W. Kwok.



CHINA'S AMBASSADOR GREET'S JAPAN'S

Mr. S. Kawagoe, Japanese Ambassador to China, is seen above on the right as he arrived in Shanghai on June 29 in the mv. Asama Maru from Japan. On the left is Mr. Hsu Shi-yung, Chinese Ambassador to Japan, who came to Shanghai from Nanking to greet Mr. Kawagoe. The refusal of Mr. Kawagoe to make any statement on his arrival greatly disappointed the crowds of Chinese newspapermen.

N.C.H. Photo

AMERICAN AUTHOR HERE ON VISIT

Mr. Derk Bodde to Continue Studies in Netherlands

Not yet 30, Mr. Derk Bodde, of Peiping, has completed his second book on China and will soon be off for the Netherlands to obtain a doctorate in Chinese at the University of Leyden.

Mr. Bodde, who is an American of Netherlands descent, was in Shanghai on June 29 to look over the proofs of his new book, a translation of Fung Yu-lan's standard work, "A History of Chinese Philosophy," volume I. Later he hopes to translate the second volume of this important book.

It is remarkable, also, that the young author wrote a book on "Annual Customs and Festivals in Peking" after but a few years' residence in the former Capital. This was published by Messrs. Henri Vetch last year and is becoming increasingly popular as an authoritative work on a fascinating subject.

Mr. Bodde first visited China as a boy in 1919. When his father, Prof. Theodore Bodde, was on the faculty of Nanyang College (now Chiao Tung University). He went to Harvard, was graduated there in 1930 and returned to China on a four-year fellowship of Harvard-Yenching Institute. After the four years he decided to stay in Peiping and apply himself to writing. He will continue his study of Chinese under Prof. Duyvendak, a renowned authority on the language, at Leyden and then go to America.

The young scholar and author does not sympathize greatly with those who express "final" opinions about China and Chinese ways without having some knowledge of the country's philosophy and language, and acquaintance with places other than commercial ports. He believes that Shanghai is perhaps the city which least stimulates interest in genuinely Chinese lore because it is in many respects a world city rather than a Chinese city. Travel in North China and the interior and a sympathetic interest in Chinese letters and art and philosophy are bound to enrich the life of the educated foreigner in this country, in Mr. Bodde's opinion.

JAPANESE ARTIST TO DO WAR SCENES

Commissioned to paint a huge fresco in the National Defence Hall of the Tokyo Military Museum, Mr. Kankuro Seo, a famous painter, arrived here on June 30 in the Nagasaki Maru to inspect the battlefields of the "Shanghai War" of 1932.

His fresco, the painter told the press will depict scenes of the Sino-Japanese hostilities in Chapei, Woosung, and Kiangwan.

The mural will be completed this autumn in time for the Grand Festival of the Yasukuni Shrine, in whose compound the Museum is situated.

The Shanghai Municipal Council has been informed that during the absence of Mr. E. P. Yannoulatos, Acting Consul-General, Mr. P. P. Yannoulatos, Vice Consul in Charge, will be in charge of the Consulate General for Greece.

CHINESE TRIBUTE TO SUPT. MITCHELL

Long and Happy Association at Headquarters

The following tribute, by a spokesman for the Chinese staff, has been made to Supt. F. Mitchell, S.M.P. Headquarters official, whose retirement became effective on June 30, 1937.

The retirement of Supt. F. Mitchell from the Shanghai Municipal Police Force which he joined some 25 years ago, will bring to an end the official career of one of the ablest and most devoted servants of the Council. It is the good fortune of the writer to have been in close connection with him during the later part of his service and to have an excellent opportunity of observing the qualities of the man who has so long been attached to Police Headquarters.

"Mr. Mitchell is the type of police officer which the Council has been especially fortunate in having, in that he proved efficiency and thorough knowledge of office routine at Headquarters are valuable assets. He is a man of intense loyalty, a loyalty which he also demands from those who work with him, and to cap it all he is rich in common humanity, understanding and sympathy, especially with Chinese. His manner and his gentle heart and his amiability of disposition enormously enhanced his capacity for administration and the handling of men and affairs. To his retirement he carries the warmest wishes from his Chinese colleagues who hope that his supreme capacity for enjoying life will be indulged in many years of happiness."

PING PONG: AVENUE HAIG VERSION

A new style of table tennis has been set by an enthusiastic group of players who enjoy the game beneath the shade of a leafy tree in Avenue Haig. The players consist of Chinese children to whom this game is a novelty to be indulged in to the full. Their rules differ little from those of regulation "ping-pong," but their sports apparatus is rather more homely than that used by the sophisticated player.

A pair of trestles decked over with rough wooden planks does for a ping-pong table, and one brick is placed on either side of the table to support the "net," a long piece of wood. The rackets themselves are merely worm eaten chunks from the wood pile, which are used to send the celluloid ball merrily backwards and forwards to the delighted cries of the spectators, who are all eagerly awaiting their turn to indulge in this new sport.

The play is already reaching a high standard, in spite of the difficulties caused by a lack of proper sports gear. Those waiting for a bus at a nearby stop are keen onlookers at these self-taught players who may some day develop into expert exponents of the game.

36TH DRAWING OF STATE LOTTERY

Ticket No. 042982 won the \$250,000 prize in the 36th drawing of the National State Lottery held at the Candrome on July 2. The four second prizes were drawn by tickets Nos. 004271, 294389, 184202 and 128652.

Holders of prize-winning tickets may receive payment at the Central Bank of China, Bank of China and Bank of Communications, or any of the branches of the three Government banks a week after the drawing. All prizes unclaimed or uncollected after six months of the date of the drawing will be forfeited.

FORMER MAYOR IN SHANGHAI

To Attend City Government Celebrations

A group of local officials and a guard of honour greeted Gen. Wu Te-chen, Governor of Kwangtung, former Mayor of Shanghai, when he landed at the Ta Dah Wharf, Nantao, on July 5.

Accompanied by several officials from Kwangtung, Gen. Wu travelled to Shanghai in the ss. President McKinley. He will attend the celebrations of the tenth anniversary of the founding of the Shanghai City Government before proceeding to Kuling to interview Gen. Chiang Kai-shek.

In a written statement issued to the press, Gen. Wu expressed gratification at his assumption of office. It would cover the four important fields, political, financial, cultural and agricultural.

Particular attention would be paid to construction work in rural districts, Gen. Wu said. It would not only help solve Kwangtung's food problem, but also contribute to the construction programme of the entire nation.

Such tasks as military training, national defence, bringing economic relief to the people and laying the industrial foundation for the province would be pushed. An anti-illiteracy campaign would also be launched, first in the rural districts. Plans had also been discussed for the training of workers amongst farmers.

Concerning the construction of the Whampoa Harbour, Gen. Wu said it would be opened next year. All kinds of work, such as the building of warehouses and the opening up of communications were proceeding satisfactorily. Of industrial enterprises in the province, Gen. Wu mentioned Kwangtung's paper mill, which would be ready to supply 50 tons of paper daily to other provinces in two months.

Gen. Wu's Statement

"Although I have been away for over three months, it seems as if I left Shanghai only yesterday, for with the rapid means of transportation Canton is brought practically within a stone's throw of this thriving city," declared General Wu. The former Mayor of Greater Shanghai appeared to be in good spirits and did not conceal his enthusiasm over the expected completion of the Nanchang-Pinghsiang Railway which will provide rapid and comfortable overland travel between Shanghai and the city of Rams.

Questioned as to his present trip, General Wu Te-chen said that, since attending the 10th anniversary of the Greater Shanghai Municipal Government, his primary purpose was to proceed to Kuling to report to the Central authorities on actual conditions in the province of Kwangtung following his assumption of office as civil governor.

"There is no doubt that Kwangtung's main handicap is agricultural under-production, and one cannot help feeling a sense of overwhelming alarm when confronted with the disconcerting fact that over one hundred million Canton dollars' worth of rice has to be imported yearly to feed the thirty million people of the province. The more I study the problems of Kwangtung the more I am convinced that practical economic salvation lies in agricultural reconstruction. For this reason we are bending all our energy towards improving rural economy, increasing more scientific means of production, instituting reforms in the curricula of the schools to suit rural needs, rigidly promoting rural sanitation work, and above all, assisting the farmers in every possible way to solve their problems."

"I find the people of Kwangtung are just as industrious and intelligent as those in any other part of the country, and I should say very enterprising and progressive, and that is a very hopeful sign for the future. The benefits accruing from national unification and the recent readjustment of the currency problem should result in greater prosperity for the whole of South China," General Wu said, according to Kuo Min.

MIDGET TAXI QUESTION IN SETTLEMENT

At the last meeting of the Watch Committee, consideration was given to the question of permitting the operation of a system of small taxicabs in the Settlement. After discussion it was decided to postpone the submission of a recommendation to the Council on the subject until after the next meeting of the committee when the matter will be again discussed.



Mr. Donald Campbell

he was at all times the model scout, and passed through every rank up to his present position.

Many will recall his gallant attempt at Jessfield Park in the spring of 1935, when two young American lads fell into the pond. Campbell rescued them both, and alternately applied artificial respiration to both, but despite his efforts, only one of the unfortunate youngsters lived.

Imperial Scout Headquarters saw fit to commend Campbell's gallantry, and in the early part of the autumn of the same year a special parade was held in the Hungjao Camp in his honour, and through Sir John Brenan, who was the President of the local Association at the time, he was awarded the Imperial Headquarters award of the Medal of Merit.

Campbell is leaving China to take up a career with a well-known firm of construction engineers at home, and now, as the time approaches when he will soon be about to fulfill his life-long ambition, the best wishes of all who know him have been extended. He will almost certainly prove to be as much a success in his business life as he was in school and in the scouts.

CHIEF INSP. KNIGHT HONOUR GUEST

Fellow lawn-bowlers and friends in the Municipal Police generally attended a reception in honour of Chief Insp. J. Knight at the Police Lawn Bowls Club, Hongkew Park, on June 30.

Chief Insp. Knight retired from the Police on June 30 after some 25 years' service and will sail for Home in a few days. He was for many years attached to the detective branch of the Force, partly as Senior Detective at various stations, and was at the time of his retirement Distribution Inspector at the First Special District Court.

A presentation of a fine Cantonese ivory carving was made when Insp. E. J. "Tim" Ling spoke on behalf of those present. Chief Insp. Knight responded suitably.

Shanghai Stock Exchange Report with Closing Quotations, June 30, 1937

REPORT No. 26/1937 for week ending July 2, compiled by J. P. Bisset & Co. on behalf of the Shanghai Stock Exchange

COMPARATIVE OPENING AND CLOSING PRICES										STOCKS										BANKS, FINANCE COMPANIES										INSURANCE										LANDS										DOCKS, WHARVES AND TRANSPORT										UTILITIES										MISCELLANEOUS										BONDS AND PREFERENCES										COTTONS										PLANTATIONS										TOTAL AMOUNT OF SALES REPORTED FOR YEAR 1937										TOTAL NO. OF SHARES SOLD FOR YEAR 1937										Business Done Year 1937										Business Done Year 1936										Paid or due										Last Dividends, etc.										Paid up Value (or Face Value)										Fin. ends										Highest										Lowest										This Week										Last 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By Smov

Shanghai, July 5.

According to information received in Shanghai, the well-known Russian scientist, Prof. Sergei G. Eliseeff, who is an authority on Buddhism and Japanese literature, has just returned to Peking from Szechuen. When Prof. Eliseeff was in Shanghai a few months ago, Sapajou drew a cartoon of him for the "N.-C.D.N." On being asked whether he was pleased with the portrait, Prof. Eliseeff said, "The portrait is very talented, but in it I don't resemble an emigrant. An emigrant must always have the corners of their lips drooping down, jokes and anecdotes have always existed in Russian emigration circles, often embellishing truly desperate and straitened circumstances. Emigrants have the knack of laughing good-naturedly at the humorous sides of emigration. The famous author-humorist Teffi recently wrote a witty sketch entitled 'An Emigrant Ball,' in which a gentleman attends one in the hope of enjoying himself, but is assailed at every step by scrawny damsels who hold plates in front of him and insistently request that he donate something to the victims of tuberculosis. Other maidens wall plaintively: 'Subscribe toward the funeral of an aged author!' Someone else looks pleadingly up and begs him to help the unemployed suicides. In time the man who came to witness the nudance cares falls into a state of acute melancholy, while around him the distracted organizers dash to and fro, frantically but hopelessly trying to create an atmosphere of merriment. Anecdotes about emigrants circulating in emigration circles are innumerable. Here is one: Slipping coffee in a boulevard cafe of gay Peking sat two emigrants. One of them lifted a finger and pointed to a waiter bustling from table to table. 'See that man?' he asked. 'He used to be an aide-camp of the Emperor. And that thin, grey-haired fellow there, mixing cocktails behind the bar? Before the revolution he was the Governor-General of Western Siberia.' The other nodded and gazed ruefully at a little poodle tied to the leg of his chair. 'Yes,' he sighed, 'all of us have suffered from the revolution-my fit' used to be a Great Dane.'

Canards
The Russian colony was unpleasantly surprised by the recurrence of the unverified and totally unfounded reports appearing in certain Chinese newspapers regarding the "activity" of the White Russians in China. Recently one of the more influential of the local Chinese newspapers printed a report from Tientsin to the effect that "divisions of White Russians appear at certain railway stations of North China and carry on espionage work in the interests of a certain neighbouring power. During the previous week local Chinese evening publications broke all records of absurdity by printing a report that in one of the houses at the corner of Yangtze and Thorburn Roads there lives a Russian who, allegedly, feeds his four savage dogs on Chinese children—dead and alive. As we illustrated last March, at which time it was stated that Russian spies arrive in China from Manchuria in order to open barber-shops and restaurants and carry on espionage work, certain Chinese circles, in Nanking, as well as in Shanghai, tend to give these nonsensical rumours a large measure of credence.

Canards

Among Russian charitable organizations there exists one which is singularly original—"Fortuna." This society, whose founder and Chairman, Mr. V. K. Vitovsky, was long a teacher and social worker, is in its fourth year of existence and has as its motto the simple aphorism that if every Russian in Shanghai were to donate to this society a monthly sum of 30 coppers, the Russian colony would have enough money to do anything, however, it has not received so far the support of the public and has to exist on the means which it contrives to collect. What are its problems? It has to sustain any Russian who by chance should fall into a helpless position; it has to feed him, shelter him, find him work. If "Fortuna" should in a day feed, say, 100 men, it would in a year thus have extended help to 36,000 people—all on the 30 coppers donated monthly by every Russian in the city. During

"Fortuna"

On July 1 the Income Tax Bureau and the Police Department of Greater Shanghai published a joint order in all Russian newspapers to the effect that not one Russian will be given his passport or visa for travel abroad if he does not pay his income tax and fill in the income tax questionnaire. The tax must, it was stated, be paid as from 1 January 1937, i.e. for a period of six months, which is a stipulation difficult of compliance for the far from well-to-do Russian emigrants.

TWO WOUNDED IN CHAPEL

Gunman Breaks Into Straw Hut, Opens Fire

Two hut-dwellers in Tien Pao Road, Chapel, received bullet wounds at about 3 a.m. on July 3, when a gunman fired several shots at them at close range in their house. One of them, Po Chi-feng, 50-year old native of Northern Kiangsu, was struck in the leg and chest and is lying in a serious condition in the Paulun Hospital, while the other, his sister, was wounded in the arm.

Chinese Police, who investigated the crime, obtained the information that the wounded men had been involved in a dispute with a group of tea-house operators in the district. It appeared that he had together with a group of hut-dwellers petitioned the Shanghai City Government for the installation of a water hydrant, supplying free water to the poor residents. The installation was completed recently.

Wang Ting-chang, a tea-house proprietor, who was arrested by a Chinese policeman near the scene of the shooting, is being detained at the Police Bureau in Nantao.

POLICE RAID STRAW HUT COLONY

Considerable excitement reigned in the straw hut colony in Tatum Road, Chapel, on June 30, when a party of Chinese Police armed with pistols and wearing steel vests, raided one of the dwellings. One suspect was arrested and in his abode were found two pistols and several rounds of ammunition.

The policemen arrived in several cars. After a cordon had been thrown around a section of the colony, the armed men broke into the particular hut. During the raid, nobody was allowed to loiter in the vicinity.

The arrested suspect was reported to have been wanted in several robbery and theft cases in Nantao and Chapel.

FACTORY AND WAREHOUSE GUTTED BY FIRE

A Japanese factory and a neighbouring warehouse on Kiangwan Road near Rokusan Gardens were gutted in an early morning fire on July 2. The fire was first detected in the warehouse of the Fukutaki Yoko, dealers in cotton and machinery, No. 2 Huayuan Lane, at about 1 o'clock in the morning. Before the flames could be checked, they spread to the dye-manufacturing works, managed by Mr. Eitaro Matsubara. The fire was brought under control at 2 o'clock.

FIRE ON BRITISH SUBMARINE

According to a radio announcement from Hongkong, a fire broke out on board the submarine Perseus at Hongkong on July 3 and the vessel had to go into drydock. There were no casualties.

the four years of its existence, the society has organized work-shops for mending shoes and linen, bureaux for the translating and transcribing of papers, and has given free medical and dental assistance to the poor. "Fortuna" accepts donations of all sorts: not only in coppers but in old boots, broken furniture, old clothes, cast-away cutlery and books. All this is sorted out, mended, renovated and then either utilized or sold. The chairman of this charitable organization, Mr. Vitovsky, who, although an octogenarian, is full of strength and energy, will be glad to answer any questions on the activities of "Fortuna" put to him by telephoning 72883.

Income Tax

On July 1 the Income Tax Bureau and the Police Department of Greater Shanghai published a joint order in all Russian newspapers to the effect that not one Russian will be given his passport or visa for travel abroad if he does not pay his income tax and fill in the income tax questionnaire. The tax must, it was stated, be paid as from 1 January 1937, i.e. for a period of six months, which is a stipulation difficult of compliance for the far from well-to-do Russian emigrants.

Some Russians recently attempted to renew their passports at the Bureau of Public Safety at Nantao, but found that this was refused them until such time as they pay their income tax. Previously, the Chinese authorities issued passports to indigent Russians at a generous reduction, and to others of extreme poverty even gave passports free of charge. Now they have stopped doing either.

WEDDINGS

Randall-Appleby

In a quiet civil ceremony before Judge Milton J. Helmick, of the United States Court for China and held on July 1 in the American Consulate-General, Miss Mary Pearl Appleby and Lieut. Carey A. Randall, of the Fourth United States Marines, were united in marriage.

The bride recently arrived here from her home in New Orleans, Louisiana, and Lieut. Randall came



Mrs. Randall

here about 10 days ago from Bremerton, Washington. They both arrived in the ss. President McKinley.

Mr. and Mrs. E. Faupel and Mr. J. B. Sawyer, consular officer, were the witnesses.

The young couple have omitted a honeymoon trip and will reside at the King Albert Apartments.

Monical-Wiley

In what was to have been a secret ceremony Miss Marian Wiley and Mr. Robert Monical were united in marriage on June 29 by Judge Milton J. Helmick of the U.S. Court for China. The secret leaked out, at secrets do, and several friends were at the Customs Jetty to wave goodbye when the young couple sailed in the ss. President Hoover for a honeymoon in Japan.

The ceremony was performed in the residence of Judge and Mrs. Milton J. Helmick in the Rivers Court Apartments at 9 a.m. Miss Helen Wiley, the sister of the bride, and Mr. W. H. Smith were the only witnesses.

The bride, who came here last autumn to visit her sister and continue a medical course in local universities, is the daughter of Dr. and Mrs. M. C. Wiley of Albuquerque, New Mexico. Her sister is personal secretary to Judge Helmick.

Mr. Monical is Shanghai district manager for the Texas Oil Company. Both are prominent in the local American Community. After a short stay in Japan they will return to Shanghai.

Perry-Coles

St. Mary's Hall Chapel was the setting for an early morning wedding on July 3 on the occasion of the marriage of Miss Violet Carey Perry to the Rev. M. H. Throop officiated.

The bride is the daughter of Mr. and Mrs. C. E. Coles of Albany, Oregon, and the bridegroom is the son of the Rev. and Mrs. George A. Perry of Troy, New York.

For her maid of honour the bride chose her sister, Miss Elizabeth Ernestine Coles of Honolulu. Bridesmaids were Miss Zia Ung-mai and Miss Wei Zung-Lung.

Mr. Maurice Votaw of St. John's University was the best man and Mr. J. R. Norton and Mr. Nyl Nyoen-chung of St. John's University were the ushers.

The bride was given away by Dr. W. H. Pott.

Later there was a reception at the St. Mary's Faculty House.

The honeymoon will be spent in Japan, the bride travelling in a white flat crepe ensemble with a printed silk blouse and matching accessories.

Siao-Nyl

Of considerable interest to local social circles was the marriage on July 4 of Miss Chia-lu "Lulu" Siao, fifth daughter of Dr. and Mrs. T. K. M. Siao, to Mr. Nyoen-chung Nyl, son of the late Mr. Y. C. Nyl and Mrs. Nyl. The ceremony was held at 4 p.m. in St. Peter's Church, 351 Avenue Road, the officiating clergyman being the Rev. Yul.

Mr. Nyl Zung-chung attended the groom as best man, while the ushers were Dr. Z. U. Zee, Dr. Arthur P. L. Tsu, Dr. Veslin Chen, Mr. T. F. Zing, Mr. L. I. Tsok, Mr. K. Y. Li, Mr. T. T. Wu and Mr. K. Y. Wong.

MEMORIAL SERVICE FOR MRS. FORD

Large Number at Ceremony in Cathedral

A funeral service fitting to one of the leading foreign women in Shanghai was held on June 29 for Mrs. Mary St. Clair Ford, wife of Major J. T. Ford, treasurer and controller of the Shanghai Municipal Council. Mrs. Ford died suddenly at the German Hospital, Peking, on June 25. The service in which Mrs. Ford was held by all sections of the foreign community was shown by the attendance at the memorial service, held at Holy Trinity Cathedral in the afternoon, of a large number of leading foreigners representing many different walks of life. There were also a goodly number of Chinese present at the service to pay their respects on the passing of one whom many had occasionally met in the streets. Mrs. Ford was one of the biggest held in Shanghai for some time, and the cathedral was crowded for the ceremony.

Special police were on duty outside to deal with the long stream of cars bringing mourners to the service. The porch was surrounded with wreaths sent by scores of sympathizers. Those who attended the service in an official capacity included representatives of national societies in Shanghai, of local charitable and other organizations, and of the service. Among those present were H.M. Acting Consul-General, Mr. J. W. O. Davidson, and Mr. Stirling Fessenden, secretary-general of the Shanghai Municipal Council. Mr. M. Amano, chairman of the Japanese Residents' Association, and Mr. S. Shirahama, represented the Association at the service. Mr. Amano was also one of those who was at the station yesterday to meet the coffin on its arrival from Peking. Many other leading members of the foreign community were noticed at the ceremony.

Official Representatives

Representing the services were Pay-Comm. C. A. Bowen, Resident Naval Officer, and Brigadier A. P. D. Telfer-Smollett, commanding the British forces in Shanghai. Presidents of national societies attending in an official capacity were Mr. E. S. Wilkinson, (St. George's Society), Dr. A. C. Bryson, (St. Andrew's Society), Mr. E. Pentecost, (St. Patrick's Society), Judge P. Grant Jones, (St. David's Society), and Mr. V. G. Bowden, (Anzac Society). Mrs. J. T. W. Brooke represented the British Women's Association, and Mr. W. J. Hawkins the British Residents' Association. Others representing Shanghai associations were Mr. A. H. Atkins, (United Services Association), Mrs. Marie Wood, (King's Daughters Society), Mrs. W. C. Bond, (Charity Organization), Mrs. J. S. Whitney (Joint Committee of Shanghai Women's Organizations), Mrs. H. M. Spence, (Ministering Children's League), and Mrs. A. K. Craddock, (British Forces' Recreation Centre).

The memorial service was conducted by Dean Trivett, assisted by the Rev. E. J. Ottewill, and the Rev. F. W. Weaver, port chaplain and official chaplain to the naval forces in Shanghai. At the conclusion of the service, the coffin, draped in a Union Jack, was borne from the church by ten pall-bearers, Major K. M. Bourne, Mr. J. T. W. Brooke, Dr. E. G. Gauntlett, and Messrs. T. H. Gillett, W. S. King, P. W. Lamb, P. W. Massey, C. D. Pearson, C. R. Shaw and C. C. Tod.

The chief mourners were Major J. T. Ford and Mr. St. Clair Ford. The interment took place afterwards at Hungjiao Road Cemetery, Dean Trivett officiating.

"N.-C.D.N." CORONATION MEMORIAL FUND

Total for week ending July 5 \$99,239.54.

Personal Notes

Mr. A. H. Foulds, H.M. Consul at Dairen, left Shanghai on June 30 for Manila in the ss. Empress of Canada.

Dr. D. J. Collins returned to Shanghai from Kuling on July 5 by air. He has been in the summer capital to attend to the Generalissimo.

Mrs. W. J. Hawking, Mrs. R. F. C. Mastbe and Mr. and Mrs. W. E. Tingle were among those who sailed for Chinwangtao in the ss. Kaiping on July 3.

Gen. Yang Hu-cheng, former Pacification Commissioner for Shensi, left here for America by the Dollar ss. President Hoover on June 29 to study military affairs, accompanied by Mme. Yang and their son. He was seen off at the wharf by a large group of Chinese officials. From America, Gen. Yang will proceed to Europe.

OBITUARY

Mrs. A. C. House

News has been received of the death in Bristol, England, of Mrs. A. C. House (née Miss A. C. Tilley), on May 25. Miss Tilley came out to China in 1915 as a governess, residing in Kuling in the house which was later sold to General Chiang Kai-shek, and which now forms his summer home. Before long the demands of neighbours for the instruction of their children, by her became so strong that with the assistance of friends she set about establishing a school.

Soon that school, the Redcroft School of Kuling, was known throughout the ports of China. Later, civil war made Kuling unsafe, and it had to be closed. Undaunted, Miss Tilley immediately went to Tsingtao, and many of her pupils followed to form the nucleus of the new school she established there. Later, however, family needs necessitated her retirement from China, and while in England she married.

She combined in her own person and in perfect proportion, her pupils testify, headmistress, teacher and firmly tender mother, and her death will come as a personal loss to the many young people in China and elsewhere who studied under her.

Mr. Andrei Ivanovich Sotov

An impressive civic memorial service was held on July 1 in the chapel of the International Funeral Directors, Kinchoow Road, for the late Professor A. I. Sotov. The deceased, manager of the Tass News Agency and an influential man in the Soviet community, died on Wednesday at the Shanghai General Hospital at the age of 38 years. He is survived by his widow and a ten-year-old daughter, both of whom reside in Shanghai. Mr. Sotov has written several books on the U.S.S.R. and its place in the Far East and is recognized as a very able man in the journalistic world. The service was widely attended by friends and members of the Soviet Community. Among those present were Mr. Bogomoloff, U.S.S.R. Ambassador to China, the Consul-General, Vice-Consul and all officials of the U.S.S.R. diplomatic service, the entire staff of the Tass News Agency, Mr. A. S. Denisoff, editor Russian section of the "China Daily Herald," Mr. Maria I. Soulevich, manager of the Union Steamship Agency, all officials of the Soviet Club of Shanghai. Brief talks were given by Mr. Bogomoloff, the Ambassador, and Mr. Rogoff, the temporary manager of Tass News Agency, replacing Mr. Sotov. The beautiful metal casket in which reposed the remains of the deceased was draped with two U.S.S.R. flags, while at the foot rested a large spray of white flowers from the widow. An orchestra played during the ceremony. The deceased will be cremated and the ashes sent to Moscow.

Joseph May

The funeral took place at the Hungjiao Road Cemetery on July 1 in the presence of many friends and little cousins, of the late Joseph May, the infant son of Mr. and Mrs. S. May. The chief mourners were the parents. The casket was carried to the grave by Messrs. A. J. Anderson, Peter Chen, Jimmy Tsai and Y. Loo. A little white cross from the father and mother was lowered into the grave with the casket.

A TOTAL of 3 foreign and 382 Chinese deaths from all causes in the International Settlement during the week ending July 3 is revealed by the Public Health Department's weekly report. Notified cases and registered deaths were:—Foreign, 3 cases of smallpox; 2 tuberculosis; 1 death; 1 paratyphoid fever; 1 malaria; 1 typhoid fever; 1 smallpox; 2 deaths; 3 scarlet fever; 9 diphtheria; 4 cerebrospinal fever; 1 diphtheria; 23 tuberculosis; 16 deaths; 12 typhoid fever; 9 deaths; 1 paratyphoid fever; 11 dysentery; 2 deaths; 4 beri-beri; 1 death; 6 influenza; 1 death; 13 malaria; 1 death; 6 measles; 6 deaths; 3 relapsing fever; and 1 leprosy.

The death is announced at Tonbridge Wells in her 90th year of Mrs. Brand, mother of the formerly well-known Brand family and for many years one of the leading figures in the British community of Shanghai.

The Italian Consul in Harbin, Mr. Arturo Maffei, who has served in that city for many years, is leaving at the beginning of July to go home on leave of absence. It is not yet certain who will act in his place during his absence.

Friends of Judge G. W. King, formerly of H. M. Supreme Court in Shanghai, will be concerned to hear that he has been laid up in a nursing home at Reigate with double pneumonia and for two days his condition was very grave indeed. Fortunately he is now convalescent and able to write to his friends that he is "picking up rapidly."

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been segregated so as to show separately the results from the insurance agency operations and from investments. Both accounts show improvement over the previous year, the profit from insurance agency operations having more than doubled. I shall comment on each account separately, taking the insurance agency first.

The profit from insurance agency operations, \$210,513.46, as compared with the previous year, \$90,571.46, is an improvement of \$119,942.00, or 133 per cent. Premiums increased by 21.3 per cent. Commissions, brokerage, etc. increased by 4.5 per cent. from \$608,026.31 to \$635,106.33, an improvement of \$27,140.02. Expenses for the department were reduced from \$509,721.93 to \$418,843.05, effecting a saving of \$90,878.88.

Loss ratios for all of the companies and the principal treaties for which we underwrite were satisfactory. Premiums for the first five months of 1937 are more than 50 per cent. over the same period for the year under review.

During the year practically all of our general agency contracts were satisfactorily adjusted to meet changing conditions in China. An increasing amount of our business is coming from friendly Chinese companies by way of reinsurance. Our policy has always been to encourage, assist and co-operate with the native companies, which has earned their appreciation and steadily increasing support. Our agency contracts with home companies, authorizing both treaty and facultative reinsurance along broad lines, will enable us to develop this phase of our work more effectively.

Growth of Local Companies

The growth of local companies sponsored in the last few years by Chinese groups of unquestioned financial strength, is remarkable not only for the control they are obtaining over a large part of the nation's insurance but also for the competent and conservative way in which they are managed. There is, to my mind, no doubt that we have already left behind us the era during which foreign companies for more than 100 years wrote the bulk of the insurance in China, and are now entering a new, longer and more interesting period when most Chinese will insure with their own companies, and foreign offices will find their permanent usefulness in the reinsurance field and in looking after the insurance requirements of their own nationals. In both of these fields your company is equipped with the necessary personnel and facilities to render constructive service which should earn a substantial reward.

My expectation is that the next several years will see us handling a steadily growing volume of premiums. The rate of commission on reinsurance being less than for direct business, there will not be the same proportionate growth in commissions and brokerage, but reinsurance operations require less overhead and less risk, so net profits from operations should not suffer, and will probably improve.

Turning to investments, a comparison with the previous year shows that whereas interest and expenses paid exceeded interest and dividends received by \$77,344.38, the loss from the same factors in 1935 was \$80,571.46. Thus the improvement during the year was \$13,227.08. This improvement came from applying the profits earned and the proceeds from outstanding accounts collected and investments sold to reduce loans and overdrafts. The income from dividends remained practically the same as in 1935, coming almost entirely in both years from the American International Underwriters for the Philippines, China Engineers, Ltd., and F. R. Smith & Co. Ltd. The dividend from the American International Underwriters for the Philippines should, perhaps, be credited to insurance agency operations, as it was earned from our own former portfolio of insurance in the Philippines, now operated through this subsidiary.

Trusteeship Observed

Our largest investments, Asia Life Insurance Company, International Assurance Company, Metropolitan Land Company, paid no dividends in 1936 or 1935 operations, nor have any dividends yet been paid in 1937. The two insurance companies made sound profits from their operations in both years, but they have a primary responsibility to the policyholders which precludes dividends until depreciation and losses incurred during depression years have been fully provided for in the reserves and surplus funds of the companies. The present strength of both companies means that their trusteeship in this respect has been properly observed. The Land Company earnings, after providing for debenture interest and necessary reserves, were insufficient to warrant dividends, and, despite the careful management which characterizes this company, no dividends are likely until real estate values and rents show considerable improvement.

With the recovery in trade and improved financial conditions now so apparent, it seems not improbable that we may soon see better real estate and other underlying values. When such improvement is sufficient to permit these associated companies to pay dividends out of current earnings, the investment account of our company will, of course, change completely.

In 1935 the investment account was aided by a profit from sale of investments amounting to \$110,128.64. Further investments were sold during 1936, which, however, resulted in a loss of \$58,930.84, rather than a profit as in the previous year.

The book value of investments has been adjusted by writing them down \$911,756.95. Your Directors appreciate that these securities may in the near future again justify higher values by resuming dividend payments, but as no dividends have been received over a period of two years, they consider that some adjustment must be made and in general have used a conservative liquidating formula as the basis for valuation.

This adjustment of the book value of investments together with a comparatively large reserve of \$122,438.00 for overdue accounts, produces a balance sheet deficit as of the end of the year of \$730,871.62.

The Balance Sheet

Turning to the balance sheet, cash in banks has increased by \$59,650.26 over the previous year. Bank overdrafts and loans have been reduced by \$248,284.84. The reserve against overdue accounts stands at \$100,000.00, which includes provision against all overdue interest, all doubtful ac-

counts, and a further general reserve of \$25,000.00. Accounts written off during the year total \$39,095.20 part of which we now hope to recover due to generally improved conditions.

The item, Agency Contracts, Good will, etc., remains on the balance sheet at \$1.00, though it will be evident to all of you that this item earned for us \$210,513.46 during the year and was the chief source of profit during the previous year.

Your Directors and Management are greatly concerned over the notations on the liabilities side of the balance sheet regarding nonpayment of preferred share dividends. It is our wish to resume payments at the earliest possible moment, but until the deficit is cleared up, either by improved investment values or earned profits, no payments except special tax-saving dividends are permissible. You will be asked at this meeting to approve an amendment to our charter providing that all special tax-saving dividends shall be paid to preferred shareholders until such time as dividends in arrears are fully paid. Your Directors also have under consideration various suggestions from preferred shareholders regarding modification of the capital structure and possibly part substitution of debentures for preferred shares in order that payment of regular interest or dividends to those who have invested in our preferred shares may be hastened. Should any of these suggestions meet with the approval of a substantial number of preferred shareholders, you may be asked to attend a special meeting in the near future to indicate your wishes.

BANK OF ENGLAND RETURNS

London, July 1.

The Bank of England statement for the week ended July 1 shows a decrease in public deposits of £4,680,000 to £10,780,000, while other deposits were higher by £48,500,000 to £180,680,000.

Government securities were listed at £140,000,000, showing an increase of £42,570,000 from the previous week. Other securities totalled £29,900,000, including £2,280,000 on discounts and advances and £23,080,000 on securities.

Notes and coin amounted to £38,890,000, a decrease of £4,710,000 from the previous week's figure of £23,590,000, while total bullion increased by £10,000.

Notes in circulation totalled £488,440,000, registering an advance of £4,720,000 compared with last week's figure.

The proportion of reserve to liability was given at 20.30 per cent., compared with 29.52 per cent. last week.—Reuter.

BANK OF FRANCE RETURNS

Paris, July 1.

Gold reserves totalling 54,859,000,000 francs were shown in the returns issued to-day by the Bank of France for the week ended June 23, showing a decline of 2,500,000,000 francs as compared with the previous week.

The total note circulation was given as 85,985,000,000 francs, an increase of 185,000,000 francs compared with last week.—Reuter.

BROKERS LOANS IN NEW YORK

New York, July 1.

Loans on security to brokers in New York by the reporting member banks of the Federal Reserve System, for the week ended June 30, totalled \$1,208,000,000, an increase of \$202,000,000 over the corresponding week of last year.

Loans to brokers during the previous week totalled \$1,217,000,000, or \$11,000,000 higher than the amount recorded for the period under review.—Reuter.

U.S. RECEIVES MORE GOLD FROM ABROAD

New York, July 1.

Gold imports into the United States during the week ending June 30 totalled \$27,037,000, the Federal Reserve Bank of New York announced to-day. Of the total amount Great Britain contributed \$21,021,000, Canada \$2,683,000; Colombia \$2,172,000, India \$820,000 and the Netherlands \$341,000.—United Press.

MENTOUKOU MINES JUNE COAL PRODUCTION

Messrs. George McBain have received information from the Mentoukou Mines that the production of coal for the month of June was 24,700 tons, and that sales amounted to 33,650 tons.

National State Lottery Administration

LOTTERY No. 36

Drawn July 2, 1937

Holders of prize winning tickets may receive payment on or after Saturday, 10th July, 1937, at the Central Bank of China, Bank of China and Bank of Communications, or at any of their branches.

Prizes unclaimed after 31st December, 1937, will be forfeited.

The National State Lottery Administration accepts responsibility for the correctness of the Official Prize Lists only. These Lists are obtainable at the Head Office of the National State Lottery Administration and from the offices of any of the selling agents.

Shanghai, 3rd July, 1937.

S. Y. H. CHEN, Director-General

PRIZE LIST

1st PRIZE: (1 of \$250,000) 042982
2nd PRIZE: (4 of \$50,000 each) 004271 128652 184202 294389
3rd PRIZE: (20 of \$10,000 each)

010721	043665	045488	094023	085589	117738	124928	138419	151363	151641
194162	199272	205799	218469	235998	267358	269860	272762	283370	298659

4th PRIZE: (100 of \$2,000 each)

001390	007440	007937	010127	014823	016727	017304	017730	020571	030140
032201	033182	035223	037988	040659	041150	043408	047308	051741	054228
057837	061471	061901	063832	065732	067149	067577	068990	070105	072208
080800	087019	089786	093454	097204	099100	099980	103084	107011	111250
114874	126683	131102	133372	135499	138327	138949	139226	141891	147131
147746	149421	152158	154699	156283	156471	157433	157630	158941	161188
168340	173144	181477	182547	183606	186008	189559	198131	207768	208117
209888	211870	217547	218602	225608	227938	229866	238605	240125	242788
242889	244546	255987	259130	262871	266302	276853	278654	282850	285194
285816	286140	286816	287479	287490	288949	293549	296380	298892	298977

5th PRIZE: (300 of \$500 each) All numbers ending in 839

(Numbers whose last three figures correspond to a specially drawn number)

6th PRIZE: (600 of \$100 each) All numbers ending in 790 or 959

(Numbers whose last three figures correspond to either of two specially drawn numbers)

7th PRIZE: (2,999 of \$50 each) All numbers ending in 82

(Numbers whose last two figures correspond to the last two figures of the First Prize number)

8th PRIZE: (27,000 of \$10 each) All numbers ending in 2

(Numbers whose last figure corresponds to the last figure of the First Prize number)

Primary Approximation Prize (2 of \$6,000 each)

(One number immediately preceding and one number immediately following, numerically, the First Prize number)

042981 042983

Secondary Approximation Prize (8 of \$1,000 each)

(One number immediately preceding and one number immediately following, numerically, each of the four Second Prize numbers)

004270 004272 128651 128653
184201 184203 294388 294390

LETTERS TO THE EDITOR

AN OPIUM DANGER

The Settlement's Record

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—I take the liberty of congratulating you on the editorial which appeared in Saturday's paper, entitled "An Opium Danger." It should be read, and no doubt will be, by everyone who has the interests of the Foreign Settlement of Shanghai at heart.

There is only one way to prevent opium smoking and that is to prevent the growing, traffic and sale of opium. It is widely cultivated in China, as was evidenced only a few days ago in the articles you published in the "North-China Daily News" by your Peiping correspondent on his noteworthy tour by motor-car in Western and Central China. That is China's affair.

The Shanghai Municipal Council has done all in its power to prevent the traffic and prohibit the sale of the drug in the Foreign Settlement, and, according to a fairly recent survey by a well-known local journalist, has been as successful in its endeavours as is humanly possible. If I read your editorial aright it is now suggested that the sale of opium is legalised and that opium smokers be registered in this Foreign Settlement! If this is not a step backward perhaps one of your Chinese correspondents will explain what else it is.

In your reference to traffickers, gangsters and "kings of the local underworld," it might perhaps be made clear that these are of Chinese nationality—much as we sympathise with reputable and worthy Chinese citizens who are honestly endeavouring to wipe out the age-old opium blot on China.

SILURIAN.

Shanghai, July 4.

Sinister Implications

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—I sincerely hope that your leader of yesterday will be translated by the vernacular journals and be widely read by our fellow Chinese citizens.

You are doing a true public service by this timely exposure of what you rightly term "the menace of a gangster traffic far exceeding anything hitherto known here in dimming light and potentiality for evil," in connection with the proposed co-operation by the Council in the Six-year Opium Suppression Plan of General Chiang Kai-shek.

Those of us who are not ignorant of the subject can appreciate the full implications of your reference to the local kings of the underworld and the tremendous and sinister power which they wield.

There are many new men, honest and faithful in their country's service, in Nanking and elsewhere, who are keenly striving for clean administration in all departments, but they are, unfortunately, in the helpless minority, and there is no way yet of immunizing the foul hand of greed and corruption.

I trust the Chinese and foreign public will take serious cognizance of the danger threatening the community to which you have drawn timely attention by your leader of July 3.

H. A. T.

Shanghai, July 4.

Cordial Agreement

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—I quite agree with your editorial of July 3, also with the letters of SILURIAN and H.A.T. in to-day's issue of your paper regarding the above.

W.G.C.

Shanghai, July 5.

Need for Caution

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—I add my congratulations to those of your correspondents in this morning's paper for your courage in making plain that licensing of opium and increase of gangster control in the International Settlement are probably inseparable. I think this is the first time I have seen a newspaper come out openly to confess to the gangsterdom here which rules this city. This is a very significant event.

It is certain that political capital will be made out of the situation should there be licensing of opium shops in the foreign administered areas. For years the National Anti-opium Association of China has been telling the world of the iniquities of colonial governments which exercise

monopolies and batten on the sale of opium to Chinese residents. In British Colonial administration there is frank inclusion of opium revenues in the budget; and when, a few years ago, it seemed as if the monopolies would go within measurable time in consequence of international treaty, I understand sinking funds to replace the loss of these revenues were created. But I fear that, despite the fact that the Chinese authorities have themselves requested licensing by the Settlement authorities, and despite the fact that the National Government is itself doing this, foreign areas will be quoted as places where gain can be made out of opium licensing.

I agree that the most open discussion, both with the authorities concerned through the Consular Body, and by the citizens of this area, should precede any action.

BRITON.

Shanghai, July 5.

SCHOOL HOLIDAYS

Playing Ground Problem

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—Several of your readers have been advocating long holidays for pupils at the Girls Cathedral School. They are among the fortunate ones who can send their children away for the summer months to seaside and other resorts, usually for a period of months.

There are others, the majority probably, who cannot send their children away at all, or else must limit holidays to a fortnight or three weeks. The other eight or nine weeks have to be spent in Shanghai with little to do and nowhere to go.

This letter is, therefore, another appeal for the use of the Cathedral School playing grounds throughout the summer months. If custom or agreements preclude the school staff from putting in, say, from a week to ten days supervision each during the day—not a great deal to ask out of their long holiday—could not someone in need of a little monetary help be engaged to keep an eye on the children's activities during six or seven hours a day throughout the holidays?

ONE-AND-A-BIT.

Shanghai, July 1.

GIANT PANDAS

A German Discovery

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—With reference to the news item in your esteemed paper of July 1 regarding the capture of two live giant pandas by a woodcutter in the forest near Li-fang-tung in Szechuen, I would like to point out that 200 kilograms is a fraction under 441 lbs. and that 100 kilograms is a fraction under 220½ lbs., not over 90 lbs. and over 45 lbs., respectively, as stated. As the largest male giant pandas do not weigh more than about 300 lbs. it is obvious either that the weights in kilograms given are wrong, or that the pandas in question must be fully adult and the male one of record size. Is there any way of clearing up this point? It would like further to point out that, although it was generally believed at the time that the baby giant panda brought to Shanghai from Szechuen nearly a year ago by Mrs. Harkness was the first live one to have been secured by a Western explorer, this is not the case. It seems that Dr. Hugo Weigold, the well known German ornithologist and scientific explorer, accompanied by Herr Walter Stoetner, secured a live one in 1914 in the same country as that in which Mrs. Harkness secured hers. It was only a few months old. Unfortunately they had not prepared for such an eventuality and so had nothing in their stores on which to feed the young animal with the result that it soon died.

A few months ago Mr. W. M. Russell, who carried out a collecting expedition in the same territory last autumn and winter, is reported to have bought yet another live giant panda about half grown, which, however, he did not keep alive.

The latest news about Mrs. Harkness' panda is that it now weighs over 35 lbs. is doing well on a mixed diet in the Chicago Zoo, and is reported to be very playful and amusing. It was donated to the Chicago Zoo by a gentleman who is reported to have put up the necessary money to finance another expedition to China on the part of Mrs. Harkness next autumn.

ARTHUR DE C. SOVERBY,
Shanghai, July 2.

SHANGHAI RACE CLUB

Charitable Donations

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—I forward herewith List of Charity Donations for 1st Half of 1937 totalling \$50,892.28.

The Stewards trust the allocations shown in the Distribution List will meet with the approval of those who patronized our race meetings. Cheques in favour of beneficiaries will be issued next week.

Lester Hospital for Chinese \$ 825.00
Lester Hospital for Chinese (New Year Race Meeting, already paid) 2,764.70 \$ 3,589.70
King's Daughters' Society 3,000.00
King's Daughters' Society (New Year Race Meeting, already paid) 2,764.70 \$ 5,764.70
Union Jack Club 9,000.00
Union Jack Club (New Year Race Meeting, already paid) 2,764.71 \$11,764.71

Various Military & Naval Commands 9,000.00
St. Luke's Hospital 525.00
Chinese Hospital for Infectious Diseases 70.00
Emergency Hospital for Chinese 70.00
Ningpo Hospital for Chinese 200.00
Chinese Red Cross Hospital, Division of Lung & Heart Disease 200.00
Chinese Maritime Leprosy Anti-Tuberculosis Association of China 100.00
Sacred Heart 220.00
Margaret Williamson Hospital 100.00
St. Elizabeth 70.00
Shanghai General Hospital 100.00
Charity Ward 250.00
Hospital St. Marie 100.00
British Charitable Hospital for Peiping 400.00
Home of the Sacred Heart, Kashi 70.00
Providence Orphanage 100.00
St. Joseph 100.00
St. Ka-Wai Orphanage 100.00
Sisters 100.00
Orphanage 100.00
Institution of the Holy Family 70.00
National Leprosarium of Shanghai 50.00
Shanghai United Chinese Society and Shelter House 220.00
Shanghai Charity League 100.00
Society of St. Vincent de Paul 100.00
Little Sisters of the Poor 100.00
Sisters of Charity, Shanghai 100.00
Sisters of Charity, Shanghai 100.00
Hospital St. Joseph, Nantao 100.00
Catholic Federation (Poor Relief) 100.00
St. Joseph 100.00
Society 70.00
Institution of St. Joseph 50.00
St. Joseph's Alumnae Society 50.00
The Poor, Nantao 50.00
Institution des Freres, Nantao 50.00
Mission to Seamen, Shanghai 300.00
Fund for Indigent Foreigners 450.00
Mission to Rickschaw Blind 250.00
Institution for Chinese Blind 220.00
Chinese Red Cross Society 70.00
Shanghai Public Benevolent Cemetery 70.00
Chinese Anti-Tuberculosis Benevolent Society 100.00
St. Monica Society 100.00
Austrian Ladies Benevolent Society 70.00
Jewish Ladies Benevolent Society 300.00
Associação Beneficente de Beneficencia de Shanghai 300.00
Associação das Senhoras Portuguesas 100.00
British Women's Association Headquarters 325.00
British Women's Association Social Services Board and Shanghai Ladies Benevolent Society 600.00
American Women's Civic Dept. 325.00
Foreign Women's Home 325.00
Foreign Y. M. C. A. 100.00
American Civil Relief Committee 220.00
Polish Committee, Shanghai 100.00
Opera Association 100.00
Fascio Italiano de Shanghai 100.00
Associazione Nazionale Combattenti 70.00
Japanese Relief Committee 150.00
Norwegian Benevolent Society 110.00
Danish Benevolent Society 110.00
Swedish Association in China 110.00
Deutscher Hilfsverein 125.00
Austrian Benevolent Society 110.00
Netherlands Benevolent Society 110.00
Societe Belge de Bienfaisance 110.00
Czechoslovak Benevolent Society 110.00
Alliance Nationale 50.00
Alliance des Anciens Combattants de la 1re and 2e Guerre 110.00
Spanish Benevolent Society 100.00
Hungarian Relief Society 60.00
Estonian Relief Society 60.00
Latvian Association 60.00
Hellenic Communal Benevolent Association 60.00
Lithuanian Association 60.00
Shanghai Sikh Police Gurdwara 200.00
Mercantile Marine Masters & Officers Relief Fund 250.00
Salvation Army 400.00
United Chinese Association 200.00
British Y. M. C. A. with the Shanghai Defence Force 200.00
Army and Navy Y. M. C. A. School for Maltese Children 200.00
Girls Guides Association, Shanghai Branch 100.00
Shanghai Society for Prevention of Cruelty to Animals 250.00
Girls' School 300.00
Women's League 300.00
Relief for Poor Russian Children, F. R. School 100.00
S. Y. Russian Unit 100.00
First Russian School 100.00
Materiunity Fund for Indigent Russian Children 100.00
School for Russian Children (c/o D. Scherbinin) 250.00
Already paid 3,000.00
Various Russian Charities 3,000.00

Meyer Memorial Hut 200.00
The Committee 50.00
Soldiers Graves, Wei-Hai-Wei Cemetery 80.00
Various Sundry Charities 3,150.00
50,684.00
Balance in hand for Sundry Charities & Urgent appeals 206.17
\$50,892.28

Since 1915 the total distributed in course of distribution by the Club amounts to \$4,316,044.69.

C. H. ARNHOLD,
Chairman, Shanghai Race Club,
Shanghai, July 2.

EMPLOYMENT PROSPECTS

Outlook for Foreign Boys

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—I wonder if it would be considered very presumptuous for a newcomer to question a remark made in a letter of to-day's issue regarding prospects for retirement.

Your correspondent says—"every foreigner should give more thought to his future and the future of his family, and especially the education and employment possibilities for his children. It is very difficult for the average foreign boy to get a suitable chance at all, and it will become increasingly difficult." Later, he remarks—"Competition is much keener at home for jobs..." Here, I quite agree; the average boy, with no special bent, has—or had, when I left England last August—very great difficulty in finding a suitable opening at all; schoolmasters are (or were) constantly at their wits' end to know what to suggest for a boy to take up.

But in the 9 months I have been here, I have found things very different; of course, I am not in a position to express any opinion as to the future of foreigners in the Far East—though the employers I have consulted are by no means unanimously pessimistic. I can say, however, I have had far more actual requests for boys than I have had boys available; I have had to write, not once or twice, to say that I regret I have no boy available for the vacancy offered. In over 20 years' experience in home schools, I could never once say this.

Lately, I have bothered the Heads of various large concerns to enquire what prospects (if any) there were for boys of good character and in possession of their School Certificates (the minimum requirement of most firms at home); I received most courteous and helpful replies; several employers took the trouble to come and call on me personally, to discuss the matter. In effect, I found that for boys with these qualifications I had far more openings than I could fill. Naturally, these openings offered only very small salaries at first (but that is very different from having to pay a heavy premium); for keen boys, however, there are very good prospects, and in several cases, definite chances are available of being put on an agreement providing home leave.

These posts are not merely clerical ones—they are very varied, and offer plenty of scope for initiative and keenness.

In view of what I have learnt, at first hand, I am very doubtful if parents are wise in sending their boys home to school, merely to obtain better openings for them in the future. Unless, of course, an entrance into a profession is required; even then, the preliminary schooling can be done out here—but perhaps I am biased on that point!

P. C. MATTHEWS,
Cathedral Boys School,
Shanghai, June 29.

Some Old Time Memories

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—May I congratulate the Rev. P. C. MATTHEWS on his very sensible letter respecting employment for local youths here who hold a "school certificate." I am rather inclined to feel that the requests for local boys show a complete change of the times, because in the old days of 30 to 40 years ago local boys of the same class had great difficulty in getting positions at all, due of course to the few firms then existing, and I rather wonder if there are many more firms now than there formerly were, because it is evident many have given up owing to the severe depression, which is not yet by any means over.

It would have been very interesting had Mr. MATTHEWS made it clear from what particular trade or line of business, other than purely mercantile firms, came the request for youths. Would it be engineering firms, the Municipal Council, the oil and tobacco companies, chartered accountants' offices, or such special establishments? I wonder—because in the old days youths here were taken into offices at \$50 or so per

month and they were left to their own fate, managers or heads of firms and departments being obviously indifferent to their welfare on beginning their careers or even afterwards; the general rule was to have experienced men of about 25 years of age from home on a 3-5 years' agreement.

Of course, in offices here youths did not then get the same personal and necessary training compared with the home youth; with them there was no copying of letters, delivering letters, attending the counter and telephone, to eventually in one or two years get higher desk position keeping subsidiary books of the firm, correspondence, getting experience in sales or buying departments, manifest writing and such like.

From Mr. MATTHEWS' statement it seems that, due to the local economic situation, some offices must be after a lower-priced assistant, because these "school certificated" boys can be quite useful in an office here if they will apply themselves earnestly in the beginning and learn to do useful work such as writing up a cash book, doing duplicating work, typewriting and shorthand, filing work, etc., all for \$100 to \$200 per month to begin—and quite enough pay for a beginner. As regards their future, I feel with Mr. MATTHEWS that the days of the foreigner in China are very doubtful and become more so a time goes on.

There is, however, no use whatever in comparing the request for boys at home with Shanghai; there has always been a very large surplus of youths at school age seeking employment—"What shall we do with our boys?" has been the shout during the past half-century and longer, due largely to the fact that parents or youths are too particular and undecided until by force majeure they are compelled to put their boys to something or anything; rather than go idle and earn nothing, they placed them in grocers' shops, apprenticed them to shipbuilding yards and engineering works, put them into railway services of all sorts, hired them to farmers for six months to a year, or they entered weaving works etc. The very same chances are today open to everyone here and everywhere, it is only a question of grasping the situation correctly for youths who have eventually more or less to fend for themselves.

May I add that I feel I know what I am writing about—the proof of the pudding is in the eating of it—and I may say I have met this very same type of youths time and again who took their chance in the beginning; some of them who entered the railway services I have met as managers, heads of departments, secretaries, etc.; some who entered offices as office boys I have met as head book-men; some who became school teachers I have met as professors at Universities, and I have met some who even became ship-owners of reasonably large shipping firms; some were chief railway engineers, etc.

One I knew well who started as a railway porter and became head of his railway company, while another railway porter became head man at his railway company's shipping port, where he was responsible for the despatch of 60 to 100 steamers a month fully loaded.

A. J. RICHARDSON,
Shanghai, June 30.

PHOTO-PHOBIA

Curious Official Bans

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR—There was recently a notice in your columns to the effect that the taking of photographs in the famous Tien Tai Shan district in Chekiang has been forbidden by the authorities.

In the course of the recent year I had similar experiences in different parts of China. In the Shanghai district the Pootung authorities are "hunting" all tourists desirous of taking photographs in their district. In Nanking photographing is forbidden. The foreign tourist coming often from very far distances to see the famous stone figures at Lungmen, near Loyang, will be greatly disappointed to find out that police authorities will not allow him to take any photos, because some somewhere in the surroundings is said to be a military aerodrome. When some time ago taking a snap of an old City Gate well inside the town of Shinsing (N. Honan), which surely is of no strategic value at all, I and friends of mine had a whole day's trouble to convince the police that I was not at all a spy but only a harmless tourist. But still more surprising was the fact that on a recent trip over the Canton-Hankow Railway I was forbidden by the Railway guards to take photos from the train of the landscape when passing through the most picturesque North River Gorges, whilst it is only a recent innovation that the authorities at Kaifeng and Chengchow (Honan) do no more object to tourists

taking photos inside these towns, which was formerly also forbidden. However, the limit seems to be the fact that at Sinsiang (N. Honan) I was even forbidden by the authorities to take inside the city a photo of the house of Chinese friends of mine from the road, and that at Yoyang (Hunan) I had an encounter with Railway Police when I took a photo on the station platform of two friends of mine standing in front of our railway carriage.

I wonder which policy China is following, if it is showing considerable progress on one side and if it is to a steadily growing extent fostering for the foreign tourist trade, even having formed a new Tourists' Organization under the leadership of His Excellency Chang Kia-ngau, Minister of Railways. (According to press information), when on the other side there are restrictions over restrictions preventing the foreign tourist from one of the most developed sports, namely taking photographs of the places he has visited and thus taking home pictures showing the beauty of Chinese landscape and the cultural and industrial development of this country.

There are forbidden areas of strategic value everywhere in the world; however access to these special areas is either forbidden to any strangers, including the own nationals of the respective country, or the authorities are taking precautions that within this area no pictures are taken without their special consent. It never happens to me nor my numerous friends that they have experienced difficulties in taking photographs within any country not only of landscape but even of public buildings, technical enterprises, roads and railways, with the only exception perhaps of the U.S.S.R., a few parts of Japan and some fortified frontier districts of some other countries.

I wonder what are the reasons for these restrictions within this country? Any other country would be proud and even assist tourists to take home pictures showing proof of the marvellous achievements of progress within their country whilst in China you are prevented at many places to do so. If there is technical progress in this country, why do the authorities not show also spiritual progress and a little more liberalism towards the foreigners touring this country?

A EUROPEAN TRAVELLER.

Hankow, July 1.

SEA HORSES

Tsingtao's Collection

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR—In reply to an article appearing in your issue of June 23, re sea-horses in China, may I acquaint your public with the following:

Three or four years ago our Tsingtao Aquarium had a most lovely exhibit all that summer of about eight live sea-horses. It was a great joy to watch these wonderfully beautiful creatures moving round their tank.

Also, 19 years ago, when on a summer visit here with my children, at the September Neap-tide, we were able to walk out from the Strand Beach an incredible distance, usually covered by 10-12 feet at high tide. There in a pool we discovered to our astonishment a perfect specimen of a live sea-horse. We were so enchanted with it that we wished others to share our delight, so we transferred it to a child's sea-side bucket and took it round showing it to the many people who were still on the Strand Beach in mid-September at low-tide.

I have not had time since your article appeared to consult the authorities here to find out if the above was really an unusual occurrence in the waters of North China—but I understand the Aquarium here houses only those fish who live in local (North China) waters. This includes a beautiful young seal, which is a great attraction.

A TSINGTAO RESIDENT.

Tsingtao, June 28.

Some Encounters

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR—Your Tsingtao correspondent's letter on the subject of sea horses at that summer resort is very interesting. It reminds me of an occasion when I caught small live sea horse in the estuary of a stream running through the flats beyond East Cliff at Peitaiho. This specimen was subsequently identified as belonging to the species *Hippocampus kuda* Bleeker, which differs from the South sea horse (*Hippocampus kelloggi* Jordan and Snyder) in having a longer snout. The Japanese sea horse (*Hippocampus japonicus*

SPORTS AND PASTIMES

DONALD BUDGE'S TRIPLE VICTORY

Wins Singles, Men's and Mixed Doubles: Miss Dorothy Round (Eng.) Women's Champion

Wimbledon, July 3.

DONALD Budge, young American ace, achieved the distinction to-day of being the first man to win three Wimbledon championships when he added the men's doubles and mixed doubles titles to his success in the singles.

The only other player ever to have won all three titles was the famous French woman exponent of the game, Mlle. Suzanne Lenglen, who performed the feat in 1920 and repeated it in 1922 and 1925.

The roll of honour for the 1937 Wimbledon championships reads:—

Men's Singles

Donald Budge (America) beat Baron G. von Cramm (Germany) 6-3, 6-4, 6-2.

Women's Singles

Miss Dorothy Round (Britain) beat Mlle. Jedrejowska (Poland) 6-2, 2-6, 7-5.

Men's Doubles

Donald Budge and Gene Mako (America) beat G. R. Hughes and C.D.R. Tuckey (Britain) 6-0, 6-4, 6-8, 6-1.

Women's Doubles

Miss A. M. Yorke (Britain) and Madame Mathieu (France) beat Mrs. King and Mrs. Pittman (Britain) 6-3, 6-3.

Mixed Doubles

Donald Budge and Miss Alice Marble (America) beat Yvon Petra and Madame Mathieu (France) 6-14, 6-1.

—Reuter.

British Davis Cup Team Announced

Wimbledon, July 2.

The team which will defend the Davis Cup for Great Britain was officially announced to-day. It consists of H. W. Austin, Charles Hare, G. P. Hughes and C.D.R. Tuckey. It was assumed that Hughes and Tuckey would constitute the doubles combination.—United Press.

CRUISERS BADLY BUFFETED

Setting out on the evening of June 30 on the annual 150-mile deep sea race around the Saddle Islands under fairly normal weather conditions, three yachts of the cruising class of the Shanghai Yacht Club ran into very heavy weather on the return voyage. Nidaros and Eve completed the distance in from 32 to 34 hours, and were back at the Woosung breakwater on July 2.

But Jennifer, a much smaller yacht had been left well behind and fears for her safety were entertained until it was heard that she had arrived at Woosung on July 3, her skipper taking the boat straight up to Minghong to join in the Regatta festivities.

Jennifer had not reached the Saddle before the blow came on and whereas the others had rounded the North Saddle and were making back before the gale and into the rough weather, Jennifer just reached the shelter of the island when the weather turned for the worse. Wisely anchoring in a safe harbour and getting some shelter and much needed sleep, Jennifer's crew came off with the lightest dusting of all three, for she returned under better conditions and anchored again on the return journey, thereby escaping some of the heavier weather that the other yachts met.

Kaup) has been recorded off the mainland to the east of Korea, having been taken at Vladivostok and in Possiet Bay.

The species mentioned in the article in the "North-China Daily News" of June 23 is probably *Hippocampus guttulatus* Cuvier and Valenciennes, which was originally described from Singapore. The sea horses referred to in that article as being on exhibition in a shop on Bubbling Well Road are certainly not the first to have reached the Far East, as stated, for, not only are sea horses to be found along the coasts of China and Japan, but live specimens have previously been imported into Shanghai and kept in aquariums by local enthusiasts. Mr. P. Pfanner, of Shanghai, showed me several fine and very active specimens in one of his aquariums a year or so ago, and I do not believe he is the only aquarist who has succeeded in importing and keeping alive, for a time at least, these interesting fishes.

ARTHUR DE C. SOWERBY.

Shanghai, June 30.

BRENNAN GOLF CUP WON BRILLIANTLY

K.M. Cumming, round in 75 in the first half of the Brennan Challenge Cup final at Hungjiao, and giving his opponent, L.R. Andrews, 13 strokes, finished 5 up at the 18th, and it looked as if the Cup was as good as in his pocket, especially as he started the 2nd round with a three at the 1st hole to be 6 up.

But from then the picture changed, and his opponent, playing in his best form and with the help of his strokes and stymies on the 4th and 6th greens, squared the match at the 8th. Nicely on the green at the 9th it looked as if Andrews might take the lead for the first time, but Cumming who was feeling the strain of losing six holes in a row, and seeing victory snatched from his grasp, rallied, and repelled with the perfect shot, the ball finishing in the hole for an ace.

Champion Billiards for Shanghai

Shanghailanders will have the opportunity of seeing Horace Lindrum and Inman, two of the best cue artists in the world, in action sometime towards the end of this month. The two billiards players are making a tour of the East and left London on April 24, passing



Melbourne Inman according to Tom Webster of the "Daily Mail."

through Colombo and other ports. They will give an exhibition in Hongkong and thereafter will visit Shanghai.

Arrangements for the visit of these world champions are in the hands of the Cercle Sportif Francais and it has been ascertained that a display will be given at the French Club, when the visitors make their stay here. It is expected they will arrive towards the end of this month, and followers of this branch of sport will doubtless take the opportunity of seeing these fine players in action.

SHANGHAI TENNIS

Both in top form, L. D. Carson, local singles champion, teamed with Mrs. O. Hargreaves easily clinched the Shanghai Mixed Doubles Tennis Championship from A. G. Meise and Miss C. Tavares in two straight sets on July 4 by the scores of 6-2, 6-4 in little under half an hour. A good crowd turned out at the Association courts on Avenue Joffre to witness the finals, but were disappointed with the one-sidedness of the competition.

League Standings

FIRST DIVISION		
	P.	W.
County Athletic Club	30	23
Crickit Club	29	17
C.S.F.	30	15
Clube Lusitano	30	15
Country Club	30	13
Columbia C.C.	30	13
Rees	30	13
Japanese T.C.	30	10

SECOND DIVISION		
	P.	W.
Russian T.C.	75	54
A.S.P.	75	52
Crickit Club	75	50
German G.C.	75	47
C.S.F.	75	44
Swiss Club	75	42
J.A.C. "A"	75	39
Rees	75	39
Country Club	75	36
Junior Athletic Club	75	34
Rowing Club	75	33
Police	75	33
Sokol	75	26
Brantmo	75	26
Cathedral	75	18
Waterworks	75	15
J.A.C. "B"	72	3

Woman's Division

FIRST DIVISION		
	P.	sets
Cercle Sportif Francais "A"	27	26
Country Club	27	21
Junior Athletic Club	27	13
Rowing Club	27	12
Cercle Sportif Francais "B"	27	7
Columbia Country Club	27	2

SECOND DIVISION		
	P.	sets
Swiss Club	27	24
Cathedral	27	20
Country Club	27	19
A.S.P.	27	18
Brantmo	27	12
Catholic Club	27	12
C.S.P. "B"	27	10
Girls' F.S.	27	6
Junior A.C.	27	0

SHANGHAI RIFLE ASSN. COMPETITIONS

The July competitions of the Shanghai Rifle Assn. were held on June 30 from 6 to 8 a.m. Range, 500 yds one sig, and 12 shots. The first six shots count for the first competition and the last six for the second competition. Following are the results:—

"A" CLASS		
1st Comp.		
	Score	H'cap Total.
B. Legaspi	27	3.00 30.00 (a)
Y. H. Zia	24	3.30 27.30
L/Sgt. Fitzgerald	23	3.00 26.00
C.S.M. Cannell	21	27.00

2nd Comp.		
	Score	H'cap Total.
Y. H. Zia	28	3.30 31.30 (b)
B. Legaspi	25	6.00 31.00
C.S.M. Conway	23	28.00

"A" CLASS		
1st Comp.		
	Score	H'cap Total.
Sgt. Hastings	28	3.60 31.60 (a)
C. L. Hill	29	0.90 29.90
S. M. Zee	25	4.50 29.50
Man Feng	23	3.00 29.00
Corte Real	26	1.50 27.50
Drum. Burdon	25	2.40 27.40
H. Aquino	23	4.20 27.20

2nd Comp.		
	Score	H'cap Total.
Sgt. Hastings	27	3.60 30.60 (c)
M. Leymanstein	25	5.40 30.40
Martin Feng	24	6.30 30.30
C. L. Hill	29	0.90 29.90
J. H. Zia	25	3.00 29.00
Drum. Burdon	26	2.40 28.40
H. Aquino	24	4.20 28.20
Corte Real	25	2.40 27.40

(a) Winner of spoon and 1st leg on cup
(b) 4th leg, cup outright.
(c) Winner of spoon and 2nd leg on cup

SHANGHAI BASEBALL

A fighting Marine baseball team pounded out a 7-4 victory over the Amateurs to regain the coveted Community Cup before the largest crowd of the season. The annual Fourth of July classic was played off on July 3 on the Race Course diamond with appropriate ceremonies to make the observance of Independence Day.

Thanks to concentrated artillery display in the fourth inning in which Captain Fenton's men pushed across four runs, the Marines secured a lead which was never topped. The Amateurs put on their fireworks in the fifth inning and managed to tie the score. Their hopes of victory were soon dashed as the Leathernecks scored one run in the sixth and two more in the eighth.

U. S. MARINES

	AB. R. H. P. O. A. E.
Teague, cf.	4 0 0 4 3 1
Hyman, 3b.	4 0 0 4 3 1
Potts, rf.	4 2 1 2 0 0
Griffin, cf.	1 0 0 0 0 0
Loeb, 1b.	5 2 2 0 0 0
Varonice, ss.	4 0 0 2 2 3
Beeson, lf.	4 2 2 1 0 0
Bates, if.	1 0 0 0 0 0
Winchester, ss.	4 1 0 0 3 1
Norris, c.	4 0 1 1 0 1
Lindsay, p.	4 0 1 0 1 1
	38 7 8 27 10 5

AMATEURS						
Huebner, p., cf.	5	1	1	0	4	1
Riley, c.	5	0	0	10	1	1
Krause, 3b.	5	0	1	0	4	0
J. Ward, 2b.	3	1	1	3	0	0
Biesel, cf., rf.	4	0	1	0	0	0
Carson, ss.	4	0	0	1	4	2
Fielden, 1b.	4	1	1	13	0	1
Beeler, lf.	1	0	0	0	0	0
W. Ward, lf.	3	1	1	0	0	0
O'Brien, rf.	3	0	1	0	0	0
Libson, p.	0	0	0	0	1	0
Ligon.	1	0	1	0	0	0

*Batted for Libson in 9th inning.

Score by innings:—
Marines: 0 0 0 4 0 1 2 0 0 7
Amateurs: 1 0 0 0 3 0 0 0 0 4

City League

The Amateurs struck back at the Headquarters baseball team on July 4 for an earlier defeat this season by nosing out their opponents 6 to 5 in a City League encounter. At Huebner did an iron-man trick by pitching 16 innings in two days for he shouldered practically the entire mound burden of the Amateurs over the week-end.

AMATEURS						
	AB.	R.	H.	P.	O.	A. E.
Huebner, p.	5	0	1	1	3	0
Riley, c.	5	2	2	12	0	0
Krause, ss.	5	0	2	2	3	4
Ward, 2b.	4	2	2	0	5	1
Fielden, 1b.	5	2	1	11	0	0
Biesel, cf.	5	0	2	0	0	0
Kam, if.	5	0	0	1	1	0
Kabbert, rf.	5	1	1	0	0	0
Ligon, 3b.	4	0	1	0	2	0

	43	6	13	27	14	5
HEADQUARTERS						
Teague, cf.	4	2	2	5	0	0
Winger, lf.	3	1	2	2	0	1
Varonice, ss.	4	0	0	0	5	2
Bowers, 3b.	4	0	1	3	5	0
*Fenton	1	0	0	0	0	0
Killie, 1b.	5	0	2	11	0	0
Norris, c.	4	1	1	4	1	0
Childress, 2b.	5	0	0	1	2	1
Schmitt, p.	4	0	0	0	1	0
Givens, rf.	3	1	0	1	0	0
Forrester, rf.	0	0	0	0	0	0

*Batted for Bower in 9th inning.

Score by innings:—
Amateurs: 0 0 0 2 0 1 0 0 0 7
Headquarters: 0 0 1 0 0 3 0 0 0 5

HUNGJIAO GOLF CLUB

The June Through-the-Month Competition of 18 holes Running Pool was Par Resulted:—

J. B. H. Leckie (10) 5 up; D. R. Glass (8) 1 up; H. D. M. Barton (7) 1 up; A. C. Pouncey (14) 1 up; A. C. M. Cumming (11) 1 up; F. S. Gings (9) all square; W. H. Lock (18) all square; T. W. Gubb (10) 1 down.
There were 90 entries.

SHANGHAI LAW REPORTS

H. M. SUPREME COURT

Divorce Action

EVA N. WATTON v. VICTOR H. W. WATTON
COUNSEL: Mr. J. R. Jones for Plaintiff,
Before Sir Allan Mossop, Judge
(Decree Nisi Granted)

A decree nisi was granted by Judge A. G. Mossop in H. M. Supreme Court on June 29 in the divorce case of Mrs. Eva N. Watton v. Mr. Victor H. W. Watton. Petitioner was represented by Mr. J. R. Jones, and was granted custody of the child; the child is not to be taken out of the Court's jurisdiction without the sanction of the Court.

H. M. POLICE COURT

Traffic Cases

S.M.P. v. J. S. WHITNEY, MRS. E. BOYD, MRS. H. H. LENNOX, RICHARD FOWLER, J. C. JENKINS, J. S. MURFORD, C. V. W. BROOK, E. MOLLER, F. R. L. CAREY, A. R. MORGAN, A. F. GORDON AND E. F. MULVEY.

FAILURE to observe S.M.C. Traffic Regulations.
Before Mr. C. H. Haines, Registrar
(Cautions and Fines)

For exceeding the waiting period by 35 minutes and by 1 hour and 45 minutes respectively, Mr. J. S. Whitney and Mrs. E. Boyd were fined 5/- each by Mr. C. H. Haines, Registrar, in H. M. Police Court on June 29.

Cautions were administered to Mrs. H. H. Lennox, and Messrs. Richard Fowler, J. C. Jenkins, J. S. Murford and C. V. W. Brook for parking their cars with the right hand side next to the curb.

Charged with waiting during prohibited hours, Mr. E. Moller was cautioned while Messrs. F. R. L. Carey and A. R. Morgan were fined 5/-. Messrs. A. F. Gordon and E. F. Mulvey were cautioned for driving without a rear light to their cars.

FIRST SPECIAL COURT

Casings Firm in Fraud Charge

Charged with defrauding the S.M.C. of about \$1,065 by means of false declarations between January 1 and April 30 this year, Efim Fomil, aged 53, and his two sons, Abraham and Rafael Fomil, casings manufacturers with their plant known as E. Fomil and Sons at 10 Sawgin Road, were summoned before the First Special District Court on June 29.

Mr. Paul Tsiang, Assistant Municipal Advocate, outlining the case, told the Judge that the accused kept their plant at 10 Sawgin Road, the S.M.C. abattoir, and which place was rented to them by the Council. It was arranged, Mr. Tsiang said, that they should report to the Council every month the total number of barrels packed so that the fees might be charged at specified rates.

From January to April, the number of barrels totalled 28 according to accused's report to the Council, but investigations disclosed the correct number was 109. Although the accused should pay to the Council \$1,590 according to the correct number, they had only to pay \$525 according to the number reported by them, Mr. Tsiang said. The hearing was adjourned till July 7.

Judicial Inquiry in Yarn Deals

Judicial inquiry into the recent manipulations on the Chinese cotton yarn market was conducted by Procurator Soong Keng-san, in the First Special District Court on July 3, when several witnesses were questioned concerning the alleged speculation by Mr. Wu Chi-ting and Mr. Sheng Sheng-yi, Directors of the Internal Revenue Department of the Finance Ministry and of the Consolidated Tax Office for Kiangsu respectively.

The two officials of the Ministry of Finance, who were summoned to Nanking and put under surveillance in the Ministry's building, were not present in Court. Mr. H. Y. Moh, chairman of the Chinese Cotton Goods Exchange, and several others, including a representative of the Ministry of Industry, which conducted the investigation into manipulations, attended. The inquiry was adjourned sine die.

According to Mr. Moh, prices for yarn jumped \$40 in six weeks. The rapid rise was caused by two factors: rumours of inflation and lack of supply. Formerly, over 100,000 bales of yarn were obtainable for immediate delivery, but this number was reduced to a mere 20,000 bales after May, he continued. He said he did not know either official, nor did he know if both of them had actually

dealt in cotton yarn on the market. Rumours were current on the market then that Mr. Sheng Sheng-yi was one of those who held a long position.

Ministry's Investigation

Mr. Kwong Yung-wen, attached to the Ministry of Industry, told the Court that some of the brokers had withheld certain books, thus rendering the investigation difficult. It would appear, however, from the recent inquiry that Mr. Wu Chi-ting was involved in dealings on the market both in May and June, and then submitted to the court a written report, the contents of which were not revealed.

Two brokers, Mr. Yang Su-ting and Mr. Yang Yuan-kai, were then questioned. A book belonging to their firm, Yuan Dah, was found to have contained the name of Mr. Wu Chi-ting. The latter broker explained that the name was written under another name, Tai Hsin Hua, who was really their client, dealing in Government bonds. Mr. Tai was accountant of the Kiangsu-Chekiang Bank of which Mr. Wu Chi-ting was the managing director. The name of the official was put in the book for reference.

According to Mr. Tai, he was a shareholder of a cotton yarn firm and was formerly employed at the Kiangsu-Chekiang Bank. He did not know why the brokerage firm which dealt in Government bonds put Mr. Wu's name in his account.

Mass Prosecution

Sixteen men and four women rounded up recently in a series of raids conducted by detectives from the Crime Branch Headquarters in the Settlement, French Concession, Nantao and Chapel, were brought before the First Special District Court on July 2 for a special hearing.

Only ten of the prisoners were charged by the S.M. Police, four being accused of committing armed robberies, one being charged with possession of paraphernalia for making counterfeit 20-cent coins, while five were accused of unlawful possession of firearms with intent to put them to criminal use.

As regards the remaining ten prisoners, including the four women, Mr. Paul Y. Ru, Assistant Municipal Advocate, told the court that police inquiries disclosed that the four female prisoners had not committed any offences either in the Settlement or Chinese-controlled territory, so the police asked for their immediate release. The six male prisoners were wanted by the Shanghai and Woosung Garrison Commander and the police were not opposed to it, Mr. Ru said.

An official despatch having been presented to the court by a representative from the Garrison Commander's office, the court ordered the extradition of the six male prisoners. The four female prisoners were then ordered to be freed.

The questioning of the ten prisoners still in Court regarding offences of armed robberies, possession of firearms and counterfeiting of notes having been concluded, the Judge ordered an adjournment for one week.

Those already handed over to the Garrison Commander's office were alleged to have conspired to subvert the constitution of the State.

Bank Robber Sentenced

A sentence of life imprisonment was passed by the First Special District Court on June 29 on Nyung Sao-ya, alias Tsang Ih-chang, alias Zung Kwei-tsong, charged with being one of the leaders of the gang who made an attempt to loot a Kiangsu Bank's car carrying \$7,000 in notes on February 3 this year outside the bank's premises in Sinza Road. As a result of the attempted robbery, a police watchman was shot dead by the gang. Nyung was alleged to have hired a motor car used in the crime. He fled to Anhwei province, but was arrested there and brought to Shanghai for trial. Many arrests were made in Shanghai and of these two were sentenced to pay the death penalty while others received long prison terms.

Misappropriation of \$109,000

A sentence of ten months' imprisonment, suspended for two years, was passed by the First Special District Court on June 30 on S. Zung-yong, alias S. Chen-yong, former compradore of Messrs. Phillips China Co., Szechuen Road, charged with misappropriating a total \$109,000 of the company between July and August, 1932.

Portuguese Accused

George Golden, an unrecognized Portuguese, was charged in the First District Court on June 30 with break-

ing into Room No. 107 Sassoon House, Nanking Road, at 6 a.m. June 23, and stealing from therein a calculating machine belonging to Messrs. Netherlands Harbour Works, and was remanded till July 6.

Workers Sentenced

Prison terms ranging from six to three months each were imposed in the First Special District Court on June 30 on five former brewery workers who were arrested by Pootoo Road Station officers for intimidating five loyal workers of the Union Brewery, Ichang Road, to join a strike and for illegally detaining the workers after forcing them to proceed from the Settlement to Chapel. Three other accused in the case were acquitted.

Acid Throwing Case

Ten men arrested by Kashing Station detectives for being concerned in the acid attack on Mr. J. Knox, employed by the Shanghai Gas Company, when Mr. Knox was riding in a rickshaw on the way to his home in Elwell Road on November 28 last year, were brought before the First Special District Court on July 2. After questioning the prisoners, the Judge ordered the release of three of them, the others being remanded for one week. A charge of assault was preferred against the men.

Inquest on Miss Neary

That Mrs. Wu Yuan-lung, nee Miss Kathleen Neary, died of drowning was the opinion of judicial doctors of the First Special District Court. In an earlier report, it was said that her lungs were filled with water.

The finding was made known at the Public Mortuary on July 3, when the physicians' report was handed over to the police.

The British woman was found dead in a bath-tub in a room in the New Asia Hotel on June 18. A bottle of sleeping tablets was found in the room, but four of them were missing. It was also discovered that she had written to a friend, saying that she was committing suicide.

Seven or eight months after her marriage to Mr. Wu, who is son of Mr. Wu Ting-chang, Minister of Industry, she and her husband lived separately. The latter was recently reported to be in Szechuen.

Murder for Two Dollars

A murder for the price of \$2 was revealed in the First Special District Court on July 5, when Dzung Zien-fah, a 22-year old butcher, was charged together with two others not yet in custody with stabbing to death a loafer. The hearing was adjourned to July 14.

According to the prosecution, the man was arrested near the scene of the crime which was perpetrated in Lane 51, off Stone Bridge Road, at 5.15 p.m. on July 4. The accused had been wandering aimlessly for hours in the vicinity until detectives investigating the case caught him shortly after midnight.

The accused told the Court that the loafer, identified to be Zau Kyung-sai, alias Zai Siau-long, had been released from prison recently. By representing himself as the chief of the loafer gang operating in the Sinza Bridge district, the deceased collected \$2 from a watch store which had just opened doors for business. In reality, one of the two men still at large was the gang leader, and when the latter visited the new shop, he discovered that the deceased had obtained the "protection" money.

Angered by the action of the deceased, the two men together with the accused located him in Lane 51 and stabbed him to death. The accused said he merely accompanied the two men to the alleyway and he was not armed at the time of the crime.

A relative of the accused was also held by police on suspicion of complicity in the crime.

Miscellaneous

Four workmen were sentenced in the First District Court on July 2 for intimidation while two others were remanded for judgment on a similar charge. One of those sentenced was Tsang Kien-vung, who tried in vain to prevent about 30 workers of the San Yue Silk Factory, Chemulpo Road, from carrying out their work on June 24. Tsang got 20 days in gaol. The three others were sent to gaol for ten days each for attempting to force two workers to join a labour union in Robison Road on June 30. Men who will hear their fate next week are Lee Kwei-ling and Huang Tuh-kuo, both P.W.D. coolies. The former was accused of trying to prevent other P.W.D. workers from carrying on work in Yangchow Road on June 29 and the latter committed a similar offence in MacGregor Road, next to Baikal Road, on June 30.

FOREIGN TELEGRAMS

FRENCH CABINET WIN PLENARY POWERS

London and Washington Consent to Allow Franc Parity to Fall to 125 to £1: Huge Deficits Revealed

Paris, June 30.

FRANCE'S Government crisis is believed ended with the passage of the Government's Financial Plenary Powers Bill in the Chamber of Deputies and the Senate, late this evening, passed the measure by 167 to 82 votes.

The Senate's Finance Commission adopted the Bill by twenty votes to three. Among the twelve abstentions were M. Joseph M. Caillaux, president of the Commission, and M. Pierre Laval, former Premier. Earlier this afternoon, after debate was twice suspended by uproars, the Chamber of Deputies passed the Bill by 380 to 228 votes. M. Georges Bonnet, the Minister of Finance, just before the division, intimated that London and Washington assented to his proposal to allow the franc to drop to 125 to £1. The Chamber's Finance Commission had adopted the Bill unamended last night by seventeen votes to sixteen, five Communists and three Socialists abstaining.

M. Vincent Auriol, M. Bonnet's predecessor, explained in the lobby of the Chamber after the debate, that funds at the disposal of the Treasury stood at Frs. 2,459,000,000 when M. Blum's Plenary Powers Bill was tabled in the Chamber on June 15.

Funds were reduced to Frs. 1,400,000,000 when the Senate's vote on June 20 led to the fall of M. Blum's Cabinet. When M. Chaulemp's Government was formed on June 23, there were Frs. 1,483,000,000 but immediately rumours of devaluation caused a mass flight of capital. This combined with the reimbursement of Treasury bonds reduced Treasury funds to a low level.

Enormous Gold Loss

M. Bonnet is also understood to have told the Committee that the gold outflow amounted to Frs. 2,500,000,000 from June 23 to June 28 and to Frs. 5,200,000,000 from June 1 to June 22.

The deficit in the ordinary budget, he said, was from Frs. 6,000,000,000 to Frs. 10,000,000,000 and in the extraordinary budget Frs. 8,500,000,000. Ready money at the disposal of the Government was only Frs. 20,000,000 and that it had demanded an advance of Frs. 400,000,000 to meet current expenditure.

The Government's Plenary Powers Bill consists of a single clause demanding authority to take, by decree, "all measures calculated to assure repression of attacks on State credit, to assure the fight against speculation and also to assure economic recovery and control of prices, the balancing of the Budget and the equilibrium of the Treasury and defence, without control of exchanges or the Bank of France's gold reserve."—Reuter.

France "Off Gold"

Paris, July 1.
France is officially "off gold." This was the Government's first action after securing unfettered authority from both Houses of Parliament to deal with the financial and economic crisis. The franc, like the pound sterling, has been unpegged from gold. The portion of the Monetary Law of October 1, 1936, which fixed the gold value of the devalued franc between 49 and 43 milligrammes of gold, has been suspended by decree and the new gold content will be fixed by decree later.

The gold-buying price has been fixed at Frs.28.959 per kilo. This is equivalent to an exchange rate for sterling of Frs.128.75.

Further advances to the State amounting to Frs. 15 milliards have been authorized by the Bank of France.

Meanwhile the decree suspending payments in settlement of commercial bills and undertakings where payment in gold or foreign currencies was stipulated, has been cancelled by the Minister of Finance, M. Georges Bonnet.—Reuter.

Prices Control Follows

Paris, July 2.
The decree forbids price increases throughout France and includes all prices in the wholesale and retail trade and any price tariffs of industrial and trade enterprises which had been effective on June 28, 1937. Infringements by wholesalers will be punished with imprisonment of one to six months and a fine of Frs. 500 to Frs. 10,000 while infringements by retailers with a fine of Frs. 50 to Frs. 500.—Trans-Ocean.

Tripartite Accord Affirmed

Paris, July 2.
The mutual intention of France, Britain, and the United States to stand by the terms of the Tripartite Monetary Accord and continue close co-operation despite the devaluation of the French franc was cemented yesterday in a series of telegrams exchanged between the three capitals. France's Finance Minister, M. Georges Bonnet, received messages from the British Chancellor of the Exchequer, Sir John Simon, and the

U.S. Secretary of the Treasury, Mr. Henry Morgenthau, couched in identical terms and declaring: "I look forward with pleasure to the continuation of intimate co-operation between our two treasuries within the framework of the Three-Power Accord."

M. Bonnet replied identically to London and Washington, "The French Government attach great value to the intimate co-operation uniting our two treasuries. The energetic effort for financial recovery which we are decided to effect will permit us to pursue successfully the policy of the Three-Power declaration and put an end to the difficulties with which we are confronted."—Havas.

BRITISH EXCHANGE FUND INCREASED

London, June 28.
A resolution authorizing powers to increase the amount which may be issued to the Exchange Equalization Account from £250,000,000 to £550,000,000 was passed by the House of Commons to-day.

In introducing the motion, the Chancellor of the Exchequer, Sir John Simon, said it was unlikely that any sudden and sustained gold losses could occur "which would seriously embarrass us."

On March 30 the Fund held 26,674,000 fine oz. of gold. On the same date the issue department of the Bank of England held 73,842,000 fine oz. thus totalling 100,516,000 fine oz., which at £7 per oz., was valued at £700,000,000. The Treasury did not regard these holdings as excessive. During that time, the Account held but a trifling amount of foreign currency.

The increase of the Equalization Fund, stated Sir John, was largely due to the movements of refugee capital.

The gold holdings of the Account over periods of six months would be published three months after these periods. No change in the present policy was involved as it was essential, under present international conditions, as an insurance and to carry out obligations under the tripartite agreement.

36 DIE IN ENGLISH MINE DISASTER

London, July 2.
Thirty-six persons were killed in an explosion, fire and another blast at the Brymbo colliery at Chester, Stoke-on-Trent, this morning. Six other persons were seriously injured, and are now in hospital.

The second explosion occurred while the management of the mine and inspectors were taking steps to control the fire.

Among those killed were Mr. John Cox, managing director of the Shelton Iron, Steel and Coal Co.; Mr. H. Finney, senior inspector of Mines; Mr. J. Bloor, sub-inspector of Mines; and Mr. H. L. Adkins, under-manager of the Shelton Iron, Steel and Coal Co.

The six injured persons were miners who had suffered severe burns. They were unconscious when taken to hospital, and it is feared that several of them will not survive.—Reuter.

ALBERT MEDAL AWARDED NAVAL OFFICER

SPECIAL TO THE "N.-C. HERALD"
London, July 2.
The King has awarded the Albert Medal to Lt.-Cmdr. B. G. Scurfield for gallantry in saving the lives of five men when the destroyer Hunter struck a mine off the Spanish coast.—Reuter.

HIGH EFFICIENCY OF
BRITAIN'S NAVY

London, June 29.
Sir Thomas Inskip, the Minister for the Co-Ordination of Defence, addressing a gathering of over 1,000 business men in the City of London, made important references to the progress in Britain's rearmament programme and the Government's plans in case of national emergency. He declared that the Navy's readiness for her task is much greater than it was twelve months ago. Vast quantities of oil fuel have already been accumulated. Britain's battle-ships will be the best protected in the world. Her cruisers and destroyers, having regard to treaty limits, will provide the highest standards in power and efficiency of gun armament possible to-day. Provision has been made to store some of the most important raw materials that would be required in an emergency should arise. Considerable supplies of essential commodities are now available. Steps had been taken for increasing the food supplies of the country and for the supply and distribution of foodstuffs for the fighting and civil populations. Sir Thomas said that of the 123 air squadrons formed at home since rearmament began, all but one would be up to full strength by the end of July. The Minister added "nothing we propose is intended for aggression. It is for defence."—Wireless through Reuter.

GERMAN PASTORS' LEADER
IMPRISONED

Berlin, July 1.
Dr. Martin Niemöller, leader of the Confessional Movement in the German Evangelical Church and outstanding figure among Opposition pastors, was taken into custody and conveyed to Moabit prison to-day. In the wave of arrests of Protestant clergymen in the past few weeks Dr. Niemöller, who is a former submarine commander, remained immune despite his outspoken sermons in a fashionable Berlin suburban church. He was, however, repeatedly summoned to police headquarters for long interrogations. Dr. Niemöller, in an official announcement of his arrest, is accused of "making inciting speeches and disparaging remarks about leading personalities of the State, of spreading untrue assertions about Government measures to disquiet the population and of asking the people to oppose State laws and regulations."—Reuter.

CANADIAN PREMIER VISITS
FUHRER

SPECIAL TO THE "N.-C. HERALD"
Berlin, June 30.
"The sole purpose of my visit to Germany was to promote understanding, goodwill and friendship and in all three my expectations were more than fulfilled," said Mr. W. L. Mackenzie King, Prime Minister of Canada, as he departed for home to-day after visiting Herr Adolf Hitler and the Foreign Minister, Baron Konstantin von Neurath. He added that his visit had been "promising and most reassuring." During the conversations which Mr. Mackenzie King had with the Führer and Baron von Neurath, economic questions, with emphasis on commercial relations between Germany and Canada, and the general political situation were discussed.—Reuter.

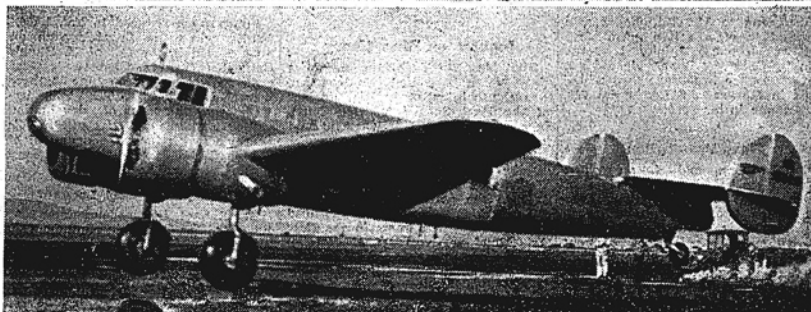
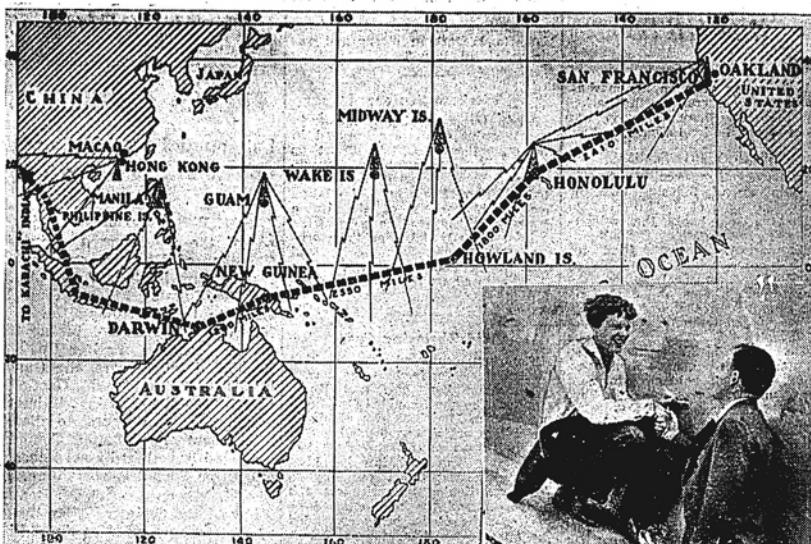
KING IS MADE PAST
GRAND MASTER

SPECIAL TO THE "N.-C. HERALD"
London, July 1.
The Albert Hall presented a memorable scene to-day when the special Grand Lodge of the United Grand Lodge of England invested the King as Past Grand Master. This was the first time any King of England attended a Masonic meeting after his accession. Nine thousand Free Masons from all parts of the Empire gave the King an enthusiastic welcome.—Reuter.

U.S. TREASURY DEBTS FOR
PAST YEAR

Washington, July 2.
The net deficit for the 1937 fiscal year, it was announced to-day, was \$270,747,110.60. The figure was approximately \$150,000,000 above budget estimates, and the largest since the World War. Net expenditures were \$8,001,187,347.47, amounting to about \$320,000,000 above budget estimates. The Director of the Budget, Mr. Darle O. Bell said he was hopeful that the Federal Budget would be "very close to balance" during the present fiscal year which began yesterday.—United Press.

AMELIA EARHART MISSING ON PACIFIC FLIGHT



Having completed the larger portion of her flight round the world, Amelia Earhart, with her navigator Captain Fred Noonan, is missing in the Pacific in the vicinity of Howland Island. A map of the region is shown here with, inset, the aviatrix bidding good-bye to her husband, Mr. George Palmer Putnam, the publisher. Below, is her Lockheed-Electra plane taking off on the flight.

STORM ADDS TO FEARS OF AIRWOMAN'S LOSS

Mrs. Amelia Earhart Putnam and Capt. F. J. Noonan
Still Missing in Mid-Pacific

Honolulu, July 3.
FEARS for the lives of Mrs. Amelia Earhart Putnam and her navigator, Capt. Fred J. Noonan, heightened here to-day as a freakish sleet and snow storm dimmed chances that Mrs. Putnam's Lockheed-Electra plane would remain afloat after being forced down in mid-Pacific yesterday while the daring American aviatrix and her companion were attempting a non-stop flight from Lae, New Guinea, to Howland Island.

Hopes that the two fliers were still alive to-day hinged on faint S.O.S. messages picked up by Coast Guard stations and amateur radio operators. Experts doubted the authenticity of the messages, however, pointing out that the signals were necessarily weak and might be "harmonies" from a Honolulu station.

The Itasca later was said to have reported to Washington headquarters that it had received an indistinct message shortly after midnight to-night which sounded similar to "Q85." The Coast Guard cutter was said to have doubted that the message was from Mrs. Putnam, however.

The Itasca reported that it had searched approximately 3,000 square miles north of Howland Island without finding the missing fliers. Latest reports indicated that sea conditions in the vicinity were excellent and visibility had improved following the sleet storm.

Mr. George Putnam, publisher and husband of the missing aviatrix, to-day asked radio station KGU in Honolulu to broadcast a request on the hour throughout the night asking Mrs. Putnam to send the single word "land" if she had been forced down on land, and "water" if on water. He also asked that she report "north" if north of the equator, and "south" if south of the equator. The United States Coast Guard announced that it had ordered the Itasca to remain silent during such broadcasts.

Mr. Putnam, who was in Oakland, Calif., told the United Press to-day that he believed his wife had succeeded in landing on one of the numerous islands which dot the south seas.

Manufacturers of Mrs. Putnam's plane said yesterday that the craft would remain afloat indefinitely if its gasoline tanks were empty and the sea calm.—United Press.

Faint Messages Heard

Honolulu, July 4.
The Pan-American Airways radio station here to-night heard radio signals which appeared to be sent

in answer to the KGMB broadcast. Unless the plane came down on land, the fliers would be compelled to depend for radio power on a battery which would be exhausted after only a few hours. The general belief here has been that they probably came down at sea as the section of the Pacific over which they were flying is one of the loneliest imaginable and it is considered unlikely that they were able to make a landing on an isolated island unless they were far off their intended course.—United Press.

Signals Still Heard

Honolulu, July 5.
Radio signals which might represent attempts by the lost fliers to tell the waiting world their present position continued to be heard throughout the night by radio operators at widely separated points.

The British steamer Moorby, 200 miles north of Howland Island, reported at 2:30 a.m., Honolulu time, that for several hours it had been receiving a continuous carrier wave but was unable to identify it or determine its source.

The Coast Guard station at Honolulu last heard a carrier wave which might have been from Mrs. Putnam's radio at 1:30 a.m. A half-hour later the U. S. S. Itasca, which had remained silent all evening to leave the radio field clear for broadcasts to Mrs. Putnam from KGMB, resumed sending.

The Pan-American Airways station at Wake Island reported that it heard a strong carrier wave, apparently from the missing plane, and that the radio bearing indicated the source was 115 degrees from Wake.

The Coast Guard Station in Honolulu confirmed that a report purporting to come from Mrs. Putnam was received by a portable radio set on Howland Island at 2:16 a.m. San Francisco time. The same or a similar signal was heard at Baker Island. Coast Guard officers said they were convinced the signals came from the direction of the Phoenix Islands.

Station KGMB reported that stations at many points were "hearing something almost constantly" but that the signals were not as clear as they had been earlier. Even assuming that the signals being heard are coming from Mrs. Putnam, it has been impossible to ascertain, so much as whether her plane descended on land or water.—United Press.

The Soviet authorities have decided to float an internal loan of 4,000,000,000 roubles for consolidation of defence in Soviet Russia. It will be redeemable in twenty years, and will bear interest at the rate of four per cent.—Reuter.

BRITISH BY-ELECTIONS

London, June 29.
The by-election at Ilford, caused by the retirement of the Conservative member, Sir George Hamilton, has resulted in another victory for the Conservative Party with the return of Mr. Geoffrey Hutchinson, who defeated his opponent, Mr. Percy Astins, Labour, by 9,319 votes. Polling figures were:—
Mr. Geoffrey Hutchinson (U.) ... 25,533
Mr. Percy Astins (L.) ... 16,214
Result at the General Election:—
Sir George Hamilton (U.) ... 43,208
Mr. Percy Astins (L.) ... 25,241

July 1.
The Government candidate has won, by a narrow majority, the by-election in the St. Ives division of Cornwall necessitated by the elevation to the peerage of Mr. Walter Runciman. So close was the voting that a recount was ordered. The figures were:—
Mr. Beecham (Lib. Nat.) ... 13,244
Mr. Isaac Poole (Lib.) ... 12,834

July 2.
At the by-election at Kingston-upon-Thames, caused by the elevation to the peerage of the former Conservative member, Sir George Penny, the Conservatives retain the constituency, Admiral Percy Roys being returned by a majority of 9,915 votes over his Labour opponent, Mr. G. H. Loman. Polling figures were:—
Adm. Percy Roys (C.) ... 19,897
Mr. G. H. Loman (Lab.) ... 9,972

General Election results were:—
Sir George Penny (C.) ... 32,953
Mr. G. H. Loman (Lab.) ... 10,014
Mr. F. J. Powell (Lib.) ... 5,832

July 3.
The by-election in the Chertsey division of Surrey, caused by the death of the Conservative member, Major Sir Archibald Boyd-Carpenter, has resulted in no change in representation in consequence of the victory of the Conservative candidate, Cmdr. Arthur Marsden.

In a straight fight, Cmdr. Marsden, who commanded H.M.S. Ardent in the Battle of Jutland and was Conservative M.P. for North-Battersea from 1931 to 1935, polled 19,767 votes against 10,522 votes for Mr. Ronald Taylor (Liberal Progressive).

General election results were: for Sir A. Boyd-Carpenter, 31,484 votes and Mr. M. B. Browne (Lib.) 12,607 votes.—Reuter.

SETTLEMENT OF INLAND
STEEL CO. STRIKE

Johnstown, Pa., June 29.
Headed by the Mayor, Mr. Daniel Shields, the City Council to-day notified two steel strike leaders, James Mark and C. W. Jones, that the city could not be responsible for their safety unless they "peacefully withdrew from the community." This followed two mysterious explosions in the mountains outside the city yesterday which severed the major water supply of the Bethlehem Steel Co. and forced suspension of operations in the company's Cambria plant.—United Press.

Chicago, July 1.
Settlement of the Inland Steel Co. strike, announced yesterday, includes all issues except the demand of the Steel Workers Organizing Committee for a written contract with the company.

The company agreed to recognize the S.W.O.C. as collective-bargaining agent for its employees. The demand for a written contract is being adjudicated by the National Labour Relations Board in hearings here.

The Youngstown Sheet & Tube Co., another of the major independent steel producers affected by the strike, deferred re-opening of its plants. The Republic Steel Co., was operating its South Chicago plant to-day, and the Republic, Youngstown and Bethlehem Steel Companies were operating in East Chicago.—United Press.

PRINCE CHICHIBU BIDS
FAREWELL

London, June 29.
Prince Yasuhito Chichibu was the guest of honour at a farewell luncheon at Buckingham Palace to-day, given by King George VI and Queen Elizabeth.
The Prince, who represented Emperor Hirohito at H.M. Coronation on May 22, expressed thanks for the reception accorded him during his stay in England. After luncheon, Prince Chichibu was decorated with the Chain of the Royal Victorian Order.—Domel.

DEATHS PASS 300 MARK

New York, July 5.
The total number of persons killed during the celebration of Independence Day yesterday surpassed 300. Of this 200 were victims of motor accidents and more than seventy were drowned.
All records were broken at Coney Island yesterday as one million persons crowded the beach for a swim and a sun tan.—Havas.

ITALY AND GERMANY REJECT PLAN

Granting of Belligerent Rights Suggested

London, July 2.

Virtual rejection of the patrol system in Spanish waters is contained in a joint statement made by the Italian and German Ambassadors, Count Dino Grandi and Herr Joachim von Ribbentrop, at a meeting of the Non-Intervention Committee at the Foreign Office this morning.

The system, the statement contends, has utterly failed and would be unnecessary henceforth but it affirms the principle of non-intervention and recommends:

1. Granting belligerent rights to both parties in Spain because this would have the immediate effect of strengthening the non-intervention policy by consequence of neutrals and belligerents having additional obligations according to international law.
2. Continuation of the present system of supervision on Spanish land frontiers as well as in ports and with observers aboard ships belonging to non-intervention countries.

In conclusion, the statement welcomes further suggestions along these lines.

The meeting, which was specially called to hear the replies of the German and Italian Governments to the Franco-British offer to close the gap in the Spanish control system caused by withdrawal of Italian and German ships, began at 11 a.m. and adjourned at 1.45 p.m. until 4.30 p.m.

It is reliably understood that a deadlock was reached over the rival Italo-German and Anglo-French plans at this morning's meeting. The task of the meeting this afternoon is merely to draft a communique registering the present position. The new situation will be referred to a meeting of the full Committee for further consideration.—Reuter.

Aircraft Charge Refuted

London, July 1.

The London aircraft company accused by Signor Gayda, said to-day there was no truth in the statement as the company had received inquiries for the supply of air ambulances for Spain and had replied that it would be pleased to supply them if export licenses could be obtained. Apparently, however, the Non-Intervention Committee decided that the Geneva Convention, for the care of the wounded in war, did not apply to the Spanish War.—Reuter.

40,000 REFUGEES EVACUATED

SPECIAL TO THE "N.-C. HERALD"

London, July 3.

Emphasis on the humanitarian activities in Spain was made by both the Prime Minister, Mr. Neville Chamberlain, and the Foreign Secretary, Mr. Anthony Eden, in speeches this afternoon.

Speaking at Edgbaston, the Premier said that during the past few weeks nearly 40,000 Spanish refugees had been escorted to safety under the protection of the British flag. Before the lamentable affair in Spain ended, he added, doubtless thousands of Spanish women and children would have cause to thank God for the presence of British ships in Spanish waters.

Mr. Chamberlain then enunciated the following fourfold programme:

- 1.—Keep the peace.
- 2.—Make the country so strong that nobody would treat her with anything but respect.
- 3.—Maintain the increase in trade and prosperity.
- 4.—Continue the improvement in the people's conditions.

Nothing From Spain

"We want nothing from Spain, whatever its form of government, but friendly relations," declared Mr. Eden in a speech at Coughton, Warwickshire.

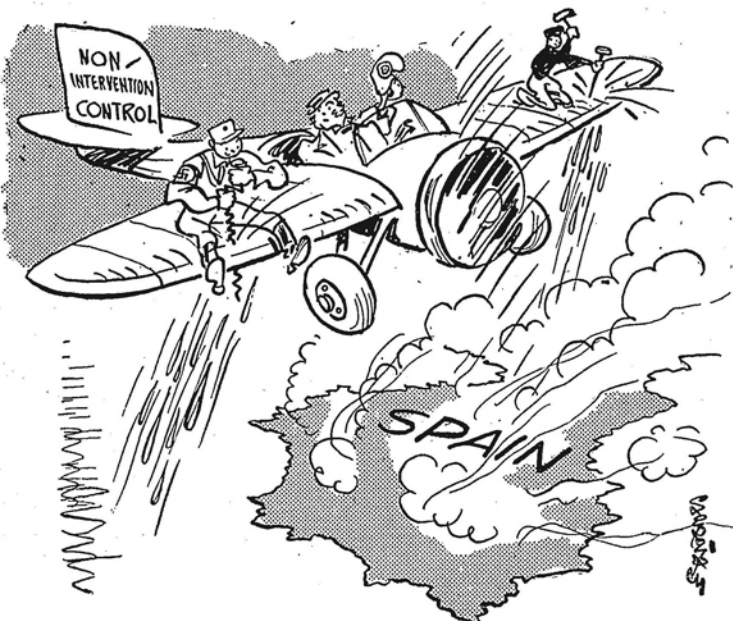
If the humanitarian balance sheet, framed on a party basis, were drawn up, he said, it would probably be found that approximately equal numbers on each side had benefited by the work of British diplomatic and consular representatives and ships.

Conversations, Mr. Eden continued, were proceeding whereby it was hoped to be possible in the near future to evacuate a number of Spaniards from Valencia in a British hospital-ship.

On the other hand, he declared, disinterestedness in internal Spanish matters must not be interpreted as disinterestedness, where British interests were concerned, on the land or sea frontiers of Spain or on trade routes therabouts.

Relations between Britain and France, Mr. Eden said, were never better than they were to-day. They rested on an ideal basis. "The understanding uniting us," he asserted, "cannot be easily broken, and we hope that the circle of friendship may be widened, because neither wishes to exclude others from it."

Another element of encouragement, the Foreign Secretary concluded, was British relations with the United States, which were excellent.—Reuter.



RUNNING SHORT OF FUEL

By SAPAJOU

PORTUGAL'S PREMIER ESCAPES BOMB ATTACK

Dr. de Oliveira Salazar Shows Extreme Calm: Crowd Thanked for Show of Loyalty

Lisbon, July 5.

AFTER an attempt which was made on his life yesterday, Dr. Antonio de Oliveira Salazar, Premier and virtual Dictator of Portugal, appeared at a window to-day and thanked a crowd of 20,000 people who demonstrated in thanksgiving at his escape from assassination while on his way to church.

R. A. F. AIRMAN'S ATTITUDE MARK

Flt.-Lt. M. J. Adam Attains 53,937-ft. at Farnborough

London, June 30.

Flt.-Lt. M. J. Adam, piloting a Royal Air Force aeroplane, to-day attained an altitude of 53,937 ft. in a flight at Farnborough, thereby establishing a new world record.

After his achievement, Flt.-Lt. Adam casually mentioned in an interview that when he was near his "ceiling," he heard a very loud crack overhead and found there was a large rent in the transparent roof of his

A bomb, it appeared, had been connected with a 300-yard cable and placed in the gutter of a man-hole just before the entrance to the chapel. The cable, which ran in the gutter around a corner, was connected with a button which apparently had been pressed as Dr. Salazar stepped from his car.

The bomb exploded, damaging the pavement, but the Premier escaped unhurt. His calm was remarkable. Immediately the confusion was over, he said: "Now, ladies and gentlemen, why all this confusion? Let us go in and attend mass."

Dr. Salazar, who is 48 years of age, became Prime Minister in 1932 after having served for four years as Minister of Finance.—Reuter.

TRADE BARRIERS AS CAUSE OF UNREST

New York, June 28.

"All these rumours and threats of war are far from constituting an insurmountable barrier to closer economic relations," said M. Paul van Zeeland, the Belgian Prime Minister, in a speech at a dinner in his honour here this evening by the Council of Foreign Relations.

He had, he said, found two things in America:

1. A firm determination to support all initiatives destined to halt the armaments race.
2. A sincere desire to free world trade from obstacles faced to-day and so bring about a universally higher and more stable standard of living.—Reuter.

"Many factors," said M. van Zeeland, "indicate that we are on the threshold of a new period of prosperity, yet reconstruction is more marked in the national than in the international field and domestic improvement in certain countries is partly artificial and due to rearmament. Several nations are still faced with difficulties, both political and economic, issuing from the last depression. Economic reconstruction is being checked by international instability, and international commerce is always hindered by restrictions on the movements of capital and by monetary difficulties. The only solution is the suppression of customs trade barriers."—Havas.

GERMAN WARSHIPS PASS DOVER

Berlin, June 30.

Besides the cruiser Leipzig, which has entered Kiel, four German torpedo boats, Seeadler, Albatros, Luchs and Leopard, are at present in the English Channel on their return trip from Spain to Kiel.—Havas.

BELGIAN KING CALLS FOR UNITY

Brussels, July 2.

A stirring appeal for national service was made by King Leopold to the leaders of the ex-Soldiers Association, whom he received at the Palace to-day.

The demand of the ex-Servicemen for a referendum on the Political Amnesty Bill, which grants an amnesty to persons condemned after the Great War for acts of treason committed in war time, could not be met, he said. The principle of referendum, he explained, was not recognized by the Constitution.

It was a mistake, the King continued, to attribute to the Amnesty Bill the character of an attack on the dignity of the country and the honour of the heroes of the War, for both this dignity and this honour remained intact.

"National service, the ideal for which you fought, should continue to be the object of your collective action," he said. "More than ever Belgium needs union and internal peace."

Demonstrations against the Amnesty Bill were staged in Brussels by thousands of ex-Servicemen on June 23 when several persons were injured and a number arrested. The Bill, as an issue of confidence, was passed by the Chamber of Representatives on June 2 by 95 votes to 75.—Reuter.

KING GEORGE CREATES ROYAL PRECEDENT

SPECIAL TO THE "N.-C. HERALD"

London, July 1.

There were two distinguishing features at the Court this evening, the last to be held at Buckingham Palace during Coronation year. One was the wearing of Royal Air Force uniform for the first time by a King of England holding Court. The other was the wearing of the world-famous Koh-i-noor diamond by the Queen, also for the first time.—Wireless and Reuter.

Sir Alan Cobham was slightly injured on June 29 when his plane crashed at North Shoreham while he was departing for a government luncheon on the anniversary of the inauguration of Empire air mail service.

President Roosevelt on July 1 nominated Mr. Hugh Gibson as the new United States Ambassador to Belgium.

Lord Nuffield has sent a cheque for £146,581 to the Birmingham Hospital Centre to cover the cost of the Nurse's Home and college of nursing. He contributed £52,000 to the Birmingham Hospital in 1932.

A further gift to charity has been made by Lord Nuffield, who has contributed £30,000 to the Royal Berkshire Hospital, in Reading, towards the erection of a new building to contain a children's ward, a maternity ward and a surgical ward.

Sir Alan Cobham was slightly injured on June 29 when his plane crashed at North Shoreham while he was departing for a government luncheon on the anniversary of the inauguration of Empire air mail service.

President Roosevelt on June 28 nominated Mr. Hugh Wilson, veteran of the United States diplomatic service, as Assistant Secretary of State. Mr. Wilson saw service in Portugal, Germany, Austria and Tokyo and since 1927 has been to Switzerland.

M. VAN ZEELAND IN LONDON

Four Attackers of M. de Laveleye Arrested

London, July 4.

The Belgian Prime Minister, M. Van Zeeland, who is returning to Belgium from the United States, is expected to arrive in Southampton on Monday morning and in London in the afternoon.

Arrangements have been made for him, on the invitation of the British Government, to hold conversations with the Prime Minister, Mr. Neville Chamberlain, and the Foreign Secretary, Mr. Anthony Eden. It is expected that his stay in London will be short.—Wireless through Reuter.

Demonstrators Arrested

Brussels, July 4.

Four demonstrators who took part in the attack yesterday on the Minister of Justice, M. Victor de Laveleye, were arrested by the police. M. de Laveleye tried to have the action against his attackers stopped, but the authorities refused to grant his request. It will be recalled that as the Minister of Justice was leaving a public building in Mons an angry crowd gathered around his car, forcing him to alight. One man seized him by the hair and another struck him vigorously on the jaw.

The unpopularity of M. de Laveleye was caused by the support he gave the Government on the bill providing an amnesty for Flemish activists, who sponsor the separatist movement for Flanders and who were accused of traitorous actions during the War.

The Committee of Action of the Croix de Feu, a Rightist Association of War veterans, will sponsor a private referendum on the amnesty bill and has already launched an appeal declaring, among other things, "We agree to be governed by politicians no more than we agree to return to the Flemish and Walloon traitors a status that would soil our victory in the War."—Havas.

MR. EDEN ON CHINA OBLIGATIONS

London, June 30.

In response to Mr. Harry Day, Labour member of Central South-west, who sought information regarding Chinese obligations, Mr. Anthony Eden, the Foreign Secretary, said that settlements had been reached in all negotiations relating to Chinese loans, secured and partially secured, issued in London.

He had no information, Mr. Eden declared, concerning any negotiations for the settlement of defaults or other Chinese obligations.—Reuter.

OBITUARY

Lord Craigmyle

SPECIAL TO THE "N.-C. HERALD"

London, June 29.

The death occurred to-day, at the age of 87, of Lord Craigmyle, formerly Lord Advocate for Scotland.—Reuter.

Mr. Frank Vanderlip

New York, June 29.

Mr. Frank Arthur Vanderlip, a towering figure of American commercial and banking interests for many years, died in hospital here to-day. He became ill in California a year ago. He was 72 years old.—United Press.

Lord Ernie

SPECIAL TO THE "N.-C. HERALD"

London, July 2.

The death has occurred of Rowland Edmund Prothero, first Lord Ernie, at the age of 85.—Reuter.

Foreign News in Brief

The U.S. Senate on June 29, without debate, ratified eight treaties adopted by the Pan-American Conference at Buenos Aires.

The Earl of Cork and Orrery, First and Principal Naval A.D.C. to the King since 1936, who served in China as a Naval Cadet in 1900, has been appointed Commander-in-Chief at Portsmouth in succession to the late Admiral Sir William Fisher.

Air Marshal Sir Edgar Ludlow-Hewitt, Air Officer Commanding the Royal Air Force in India, has been promoted Air Chief Marshal, and Air Vice-Marshal W. G. S. Mitchell, Air Officer Commanding in Iraq, has been promoted Air Marshal.

The first stage in Empire cheap air mail service at 3½d per half oz., opened on June 29 when the Imperial Airways flying-boat Centurion left Southampton for Central and South Africa with 10,000 letters, including one from the King to the Governor-General of the Union, the Earl of Clarendon. There will now be two ordinary mails a week to South Africa.



Flt.-Lt. M. J. Adam

cabin. The roof had apparently burst from contraction of the material owing to the cold.

The altitude record of 53,937 ft., or 16,440 metres, is 2,575 ft. greater than the figure reached by the Italian pilot, Lt.-Col. Mario Pezzi, last month, and 3,993 ft., or 1,217 metres more than the height achieved by Sq. Ldr. F. D. R. Swain in September, 1935. The Italian record, however, has not yet been homologated.

The aircraft's Pegasus engine and special equipment are of British design and manufacture. The plane used by Flt.-Lt. Adam was the same with slight modifications, as that used by Sq.-Ldr. Swain when he broke the world altitude record last Autumn.

There was a clear sky and practically no wind when the ascent began. The attempt was observed by an official representative of the Royal Aero Club and the height attained was officially communicated to the Ministry of Air by the Club.—Reuter.

FROM THE FOUR WINDS

THE PACIFIC PACT PROPOSAL

Australia Surprised at Premier's Address: Significant By-Election: Search for Minerals

FROM OUR OWN CORRESPONDENT

Melbourne, June 2. Many Australians are wondering why their Prime Minister, Mr. Lyons, suggested a new Pacific Pact at the Imperial Conference. He was not authorized to do so by Parliament. In fact the Leader of the Opposition, Mr. Curtin, has charged Mr. Lyons with running away to London without honouring his undertaking to give Parliament a full opportunity of discussing the agenda for the Conference. Judgment on this point must be deferred until Mr. Lyons returns. He may be able to refute the charge, or convincingly plead extenuating circumstances as an adequate excuse. But there is no doubt about the fact that neither Parliament nor public opinion sanctioned such a proposal. There was no preliminary testing of public opinion in the Press, and the report of Mr. Lyons' speech in London came as a complete surprise.

In some quarters there is a strong suspicion that Mr. Lyons is trying to exploit the Imperial Conference to strengthen his party for the elections due before the end of this year. For some months the Government has been losing its grip on popular support, and the Opposition suggest that its only hope of being returned to office will be to stage a patriotic appeal based on the need for executing an Empire defence scheme almost certain to emerge from the Conference. By coupling this with a plan for pacification of the Pacific the Government would avoid any charge of pursuing a militarist policy. Other critics, less kindly, suggest that Mr. Lyons acted at the instigation of other interests, and consider the Prime Minister should confine his activities exclusively to Australian affairs.

Unfair to Prime Minister

This is rather unfair to Mr. Lyons, whose work for Australia during the difficult years that he has been in office can hardly be too highly commended. It is also unfortunate because his political opponents may attack the Pacific Pact proposal, for electioneering purposes, while actually in complete accord with its aims.

From the purely Australian point of view the proposal was ill-timed. The Australian people most certainly want peace, not only in the Pacific but throughout the world. They also believe in international co-operation, if other nations can be trusted to co-operate, but their former faith in collective security has been shaken by the failure of the League of Nations to prevent aggression in Manchuria, Abyssinia and Spain. They would undoubtedly support a Pacific Pact if the sanctity of treaties could be convincingly demonstrated, but they are unlikely to favour the acceptance of one-sided obligations, or allow themselves to be lulled into a sense of false security by any more "scraps of paper" that can be torn up with impunity. Mr. Lyons' apparent failure to appreciate this may be regarded as a measure of the extent to which the Government has drifted out of sympathy with public opinion in recent months.

An Early Election

This and other symptoms of estrangement have inspired forecasts of an early election. The life of the present Parliament will not expire before December, but it is suggested that the Government's waning popularity may render a whirlwind campaign as soon as delegates return from the Imperial Conference expedient. This would have obvious advantages. The tremendous patriotic enthusiasm aroused by the Coronation would react in favour of the Government, and if ambitious plans for Imperial defence are adopted in London the Government can plead the desirability of retaining in office the ministers who have benefited by consultation with representatives of Great Britain and the other Dominions. It is also regarded as significant that Mr. Lyons has cancelled his projected visit to the United States, and is returning home as speedily as possible.

Second Serious Reverse

During the Prime Minister's absence the Government has suffered another serious reverse. The present United Australia Party Government relies on the support of the Country Party, several of whose members are included in the Ministry. Shortly before Mr. Lyons departed for London the Gwydir seat, held by the Country Party, fell vacant through the appointment of its member, Mr.

Abbott, as Administrator of the Northern Territory. In the by-election that followed the United Australia Party decided not to contest the seat. The Country Party, however, concentrated all its strength on winning what was regarded as a significant election, and lost considerable prestige by the success of the Labour Party candidate.

Despite the efforts of the United Australia Party to disassociate itself from this reverse, the election was generally construed as a defeat of the Government parties. The Labour Party was greatly encouraged by its success, and is preparing for the next general election with more confidence and unity than it has known for several years. The significance, however, of the by-election has been somewhat exaggerated. Gwydir is a notoriously fickle electorate, and the Country Party candidates were not helped in their campaign by the fact that the retiring member's appointment as Administrator was unpopular in the Northern Territory and severely criticized in the Press. This was due to Mr. Abbott's former association with interests concerned with the commercial development of the Territory, which many people considered should have disqualified him from appointment to such an important position of official responsibility.

Tantalite Rush

During the past month the Territory has been the scene of a minor rush to secure control of tantalite deposits. Tantalite is a metal used in alloys suitable for high-speed cutting tools. With the rearmament boom this rare metal is in great demand and its market price has risen rapidly. The only deposits of any importance are in North Australia, and until recently one owner enjoyed virtually a world monopoly of its production.

Several foreign experts are now in the Territory prospecting for payable deposits, and a number of small claims are being worked. One resident of Darwin discovered tantalite in his backyard, and although he only works the claim in his spare time, has become one of the leading producers of tantalite in the world. Thus widely spread the economic benefits of rearmament dispersal.

Various other valuable minerals are believed to exist in isolated parts of North Australia, and the Government is conducting extensive surveys to determine their economic possibilities. Such surveys have been greatly simplified by the use of aeroplanes, though flying over almost unknown country is not without its dangers. One party has been marooned for the last week through a forced landing in the heart of the desert. Water and provisions are being delivered by parachute from other planes while a despatched but efficient camel team plods over the miles of sand and spinifex with supplies of petrol and tools to clear a runway for the plane so that the party can return.

Insuperable Obstacles

In such country even the most valuable deposits can not be profitably developed. Lack of water, intolerable heat and the high cost of transport are the insuperable obstacles to the development of the interior. These are the reasons for Australia's "great open spaces" so often criticized by those who can not understand Australia's inability to absorb an unlimited number of migrants from countries anxious to dispose of their surplus population. A visit to the interior would speedily convince them that a great part of the continent is fit for neither man nor beast.

In northern Queensland, however, recent surveys have disclosed what promises to be a rich new goldfield. The area has been carefully surveyed and the deposits tested sufficiently to make their possibilities. A road is being cut through dense tropical jungle, and the field should be in production before the end of the year. But only very rich deposits can be exploited in a country where costs of production are necessarily high, and if the Government surveys accomplish nothing else, they will protect the public from investing in mining enterprises that have cost the unwary investor dearly in the last few years.

Dr. Antonio Jaen has been appointed the diplomatic and consular representative of the Valencia Government for the Far East. It is not known where the new Spanish official will reside.

HIGH RATES FOR ELECTRICITY!

Shanghai Charges Negligible Compared to English

By O. M. GREEN

London, June 9.

Old residents of Shanghai on retiring to England have at least one memory (which is not to say they may not have others) for which they sigh. That is Shanghai's electricity supply.

There is no public service in England so ill co-ordinated and in many districts so grossly overcharged as electricity. In the International Settlement our electric light bills were negligible; even in the French Concession, they were nothing to worry about. Here in our village 20 miles from Hyde Park Corner, and even from a considerable river-side town which boasts at least two flourishing industries, we are charged 6½d. a unit, and only get a 100-volt-service (which is simply ante-diluvian) and indifferent at that. There is also a strong report that our company manufactures no electricity itself but buys it from Chiswick at 3d. a unit and merely converts it to our voltage.

Yet we are perhaps fortunate. There are far bigger places than ours, nearer London, where as much as 8d. is charged.

For years an agitation has been going on to get better treatment for consumers, lower charges and more uniformity in them. A Commission was set up not long ago presided over by Lord McGowan, which recommended a series of amalgamations and groupings of suppliers and rates to be charged. Unfortunately this Commission was against anything savouring of State management, which caused our bureaucrats to throw its report on the dust heap.

Commission's Report Denounced

Now the bureaucrats have produced a scheme. There has been a row because it was communicated to the "Juice" suppliers before it had been made known to Parliament. But with actual publication of the document there is a still bigger row.

The Electricity Commissioners appear to have taken the framework of the McGowan scheme, but have concentrated all power in their own hands, throwing upon the suppliers the responsibility of management, but denying them freedom of action in every detail.

Most papers I have seen have damned these proposals wholeheartedly and according to the "Financial News" the reception has been so bad that the Government has decided to disown paternity. The scheme, it is said, must be received as merely tentative. Which presumably means that it will follow its predecessor to the dust heap.

Electricity is but one instance of the many problems that arise to-day from trying to fit local bodies into a national framework and make them think and act on national lines, instead of in the watertight compartments which suited our fathers, who scarcely moved from their home towns once a year and thought in "small-town" grooves.

There are in Great Britain 628 authorized distributors of electricity, of which 27 are municipal and 247 private companies. To co-ordinate such a hotchpotch is obviously difficult. All the same one would like to know why Worthing, for example, non-industrial and virtually dead for eight months in the year, can sell electric light for a penny a unit, and a huge London suburb must charge fivepence or sevenpence.

Heavy Fine for Smuggling

If you're thinking of smuggling a little silk or other contraband into England, think again. At Croydon yesterday Lady Prescott, wife of a baronet, was fined no less than £1,500 (the addition of two guineas costs seems rather a pathos) for trying to smuggle jewellery, hats, a silk night gown and some furs. Their total value was £680. 10s., the duty on them would have been £203. 18s. 4d. And the lady has to pay £1,500 besides cutting an extremely poor figure in Court.

She had arrived at Croydon by aeroplane from Paris on April 26 and declared some silk goods on which she paid £5. 10s. 8d duty. Then the Customs found an empty jewel case in her hatbox: where were the contents? Lady Prescott produced two ruby and diamond dress clips from her bag, and said she had bought them in London and taken them to Paris with her. But she found it "rather difficult to say" where in London she had bought them.

Further search revealed two hats. Yes these had been bought in Paris: Lady Prescott had forgotten to declare them.

A similar forgetfulness applied to a cotton golf costume bought in Berlin. A fur cape hanging on Lady Prescott's arm was excused by her as a gift, which had been worn; and

BURMA AND CHINA COMMERCE

Decrease in Rice Trade, Indo-China Having Lower Freight Rates

By F. B. LEACH (Former Chief Secretary to Burma Government, now Political Secretary to Burma Chamber of Commerce)

Rangoon, June 14.

There has been a welcome lull in politics for the last two months; the Legislature is in recess, the Chief Minister went to England for the Coronation and the Imperial Conference and has not yet returned, and the other Ministers are familiarizing themselves with the work of their new departments, and it is time to turn from politics to trade.

Trade between Burma and China falls naturally into two classes, sea trade and overland trade, and heavy merchandise has perforce to be sent by sea. Burma is primarily an agricultural country and rice is by far her most important product. She is in fact the largest rice-exporting country in the world and her exports of cleaned rice have risen in the last two generations from a few hundred thousand tons to about 3,500,000 tons, which is more than the combined exports of Siam and French Indo-China, her two rivals in the trade.

One of the most prominent features of this trade is the change that has taken place in the last 20 years in the proportions of the rice-crop which go to India and to the rest of the world. Before the war, India took about one-third and the rest of the world about two-thirds; of recent years the proportions have been roughly reversed. The reasons for this are various.

Free Trade for Three Years

For one thing, as long as Burma was part of India there was of course no Customs barrier, and free trade between the two countries has been continued for the first three years after separation by the Indo-Burma Trade Agreement, so that Burma is assured of an open market for her rice in India. Also the population of India grows faster than her production of foodstuffs, and the demand steadily increases, and Burma has an advantage in freight to India over Siam and Indo-China.

Similar advantages apply to a great extent to Ceylon and Malaya which remain steady markets, but other markets are far less satisfactory. The war upset the Europe market and it has never recovered; rice is more of a luxury there, a staple food in European countries at any time, and the increased production of Spain and Italy, and the Customs barriers which economic nationalism has erected in nearly every European country have seriously affected the trade.

Japan, which used to take considerable quantities, has become almost self-supporting, and the Netherlands East Indies have converted so much of their sugar-growing land to paddy-land that their demand has gone down to less than half of what it used to be. For this the Indian Government is largely responsible by its policy of encouraging sugar cultivation in India, with the result that the import of Java sugar into India has almost ceased to exist.

China Formerly Big Market

China used to be an important market for Burma rice. In the five years before the war she took an average of 300,000 tons. For the seven years 1922-28 the average was only 145,000 tons. For the next four years it rose to 350,000 tons, owing to bad harvests in China, but in 1933-34 the figure was only 220,000 and in 1934-35 170,000 tons and in 1935-36 only 70,000 tons was sent to China ports.

These enormous variations are due to several causes; fluctuation in rates

as it was not made of silk she did not think it necessary to declare it. A diamond, gold and silver vanity box was not new; but Lady Prescott had to admit having smuggled it in on a previous journey from France.

The best Lady Prescott's lawyer could say for her was that she had lost her head and told a great many untruths, and that her manner to the Customs officials had been perfectly courteous, not abusive as some depicted smugglers become. The magistrates did not become abusive either, but they said a great deal about Lady Prescott's behaviour which one would be very sorry to hear about oneself.

Moral for Travellers

The moral of the story is obvious to all experienced travellers. Open up all trunks and be ready to show everything. Customs officials at Dover and Croydon have a reputation for being harsh, probably they have more cause to be than their colleagues elsewhere. But I have been through Channel ports many times and like others who have adopted the "open door" tactics have found them lenient enough. I can't help thinking that if Lady Prescott had had clean bill in other respects she would have got away with that fur cape, which was a gift, had been worn, and wasn't made of silk.

of exchange has probably had much effect in recent years, but the most important cause is probably the condition of the local crops in China. Agricultural statistics of China are unreliable and disasters of the same magnitude may come with so little warning that it is quite impossible to know from year to year how much imported rice China is likely to need, and Burma cannot look upon her as a stable market.

Also Indo-China and Siam, particularly the former, have great advantage in freights over Burma, and it is natural that they should be China's first sources of supply. At the same time, a market which is capable of taking up to 500,000 tons in years of famine, and which seldom takes less than 150,000 tons cannot be neglected, and it is to be hoped that China will not forget that Burma holds the biggest exportable surplus in the world of her main staple food, and that no unnecessary restrictions will be placed on the trade.

Other Principal Exports

Burma's other two main exports, teak and mineral oil, do not go to China at all; India takes the whole of her oil in the shape of kerosene and petrol, and only one by-product, candles, is exported elsewhere. The great bulk of the teak also goes to India, and the remainder mostly to England for ship-building. What little teak is used in China appears to be Siamese teak which is not as good quality as Burmese teak. China also takes none of Burma's large exports of lead and zinc.

The statistics show separately the trade with Hongkong and with China, the former being reckoned as Empire Trade, though there is little doubt that most of it merely passes through Hongkong from or to the interior of China. In the last five years exports to Hongkong have fallen from Rs. 51 lakhs to Rs. 6 lakhs, and exports to China from Rs. 52 lakhs to Rs. 64 lakhs. (A lakh is or roughly 120,000 dollars at present rates of exchange). Of these exports about three-quarters are rice, the only other export of importance being raw cotton. The average amount of raw cotton taken by China is about 10,000 bales, but in 1933-34 it rose to 62,000 bales, valued at Rs. 5 lakhs.

Sea-Borne Imports

Imports into Burma by sea from China are less than the exports. From Hongkong in the last five years they have averaged about Rs. 20 lakhs a year, and from China they have decreased steadily from Rs. 13 lakhs to Rs. 6½ lakhs. By far the largest single item is farinaceous foods from Hongkong, which average Rs. 5½ lakhs or more than a quarter of the total imports. Dried and bottled fruits constitute nearly another Rs. 2 lakhs, and other provisions, mainly pickles and biscuits, are over Rs. 1 lakh. Beans, fireworks, perfumery, earthenware and porcelain are other items of considerable importance. From the rest of China silk piece-goods are the main item and constitute about 20 per cent. of the trade, farinaceous foods, pickles and sauces, tinned fish, and other provisions being also of importance, while a substantial trade in beer has arisen in the last three years. The Burmese have a taste for tinned foods of all kinds, and it looks as if this trade which is already considerable might be expanded.

Altogether the maritime trade is not large, and China has a formidable rival in Japan, which supplies Burma with very large quantities of textiles and manufactured goods of every description. Burma, however, is a good market as the standard of living is comparatively high, and trade between the two countries might be considerably larger than it is.

At the New Zealand International Salon of Photography Exhibition held in Bledisloe Hall, Hamilton, New Zealand, from May 11 to May 15, open to all photographers of the world over, two Shanghai amateur photographers were awarded prizes for their meritorious and artistic work. Mr. Long Ching San received a second prize for portraiture and character studies for his picture entitled "The Statue." Mr. J. H. de Carvalho of the City Bank Club, the other exhibitor, out of 8 pictures accepted and hung had the honour of being rewarded with the second prize for portraiture and character studies for his study entitled "An Octogenarian," and third prize for subjects other than landscape, seascape, architecture, portraiture and character studies for his photo entitled "At Prayers." There were no less than 353 pictures shown for competition and out of 41 awards given, Shanghai captured three which is certainly a good percentage.

SPECIAL ARTICLES

INCONSEQUENCES

By LATRATOR

A correspondent recently drew a glowing picture of the Shanghai of the future, wonderfully provided with a network of efficient traffic facilities disposing of present inconveniences and congestions. When a Shanghaiander meets a Londoner and the two are engaged in the pleasant rivalry of acclaiming the merits of their respective cities, they perhaps may find material in the attempt to decide which has the greater traffic congestion. No prize will be given for any solution of this problem or for arguing where the palm should be given.

The history of London's traffic is old and full of incident, and may have lessons even for Shanghai. At all events London has produced a historian in Mr. Vernon Sommerfield, who in a modest brochure of just over 70 pages has graphically told the story of the events which have led up to the creation of the London Transport Board, whose difficulties with its busmen, only a few days ago, occupied a prominent place in London's thoughts.

Henry VIII and Queen Elizabeth may almost be given the credit for starting public transport in London. In spite of his preoccupations on the Continent and in arranging his domestic affairs, Henry VIII found time to order the paving of Holborn, Shoe Lane and Fetter Lane so that they might be made less perilous for the King's subjects "on horseback," as on foot and with carriages. Elizabeth, with true filial devotion, carried on the good work of repaving Fleet Street, Temple Bar and Bishopsgate, and with her masterful sense of economy ordered the ground landfills to construct the necessary drainage channels for the proper completion of the enterprise.

So in Tudor times coaches found their way into the London streets. They had no seat for the driver, who travelled on one of the horses, and it was considered bad form and womanish for men to ride in them. The vested interests of the watermen objected, but the coaches had come to stay—at least until the beginning of the 17th century when Captain Bailey introduced the hackney coach, still with driver on horseback, to seat one or two passengers. The name was derived from the fact that the horses were of the "hackney" breed—a word implying that they were hired or hacked, its application being eventually given to the coach and not to the animal which drew it. It is interesting to observe how tenacious tradition is, for to-day the taxi driver carries his authority, as a notice in his taxi shows, as the operator of a "hackney carriage." Charles I, with his inveterate penchant for defending lost causes, objected to the multiplication of the hackney coaches on the ground that they increased London's traffic congestion—but he failed there, as in bigger things. There were 50 coaches plying for hire in London in 1637—300 years ago—they had become 1,000 in 1771.

But London owes much to foreigners for the development of her traffic. The cab came from France to succeed the hackney coach—it being an abbreviation of the French word *cabriolet*—and ironically enough was adopted by London in Trafalgar year. Still Mr. Hansom, of Birmingham, in 1834, achieved the most spectacular advance of the 19th century by introducing the two-wheeled vehicle which became known as the "London gondola" and was the fashionable means of transport right up to the time of the naughty nineties.

It was in the nineties, in fact, that the first recorded motor omnibus made its appearance, in Diamond Jubilee year, when Scotland Yard licensed an electrical vehicle. But before reaching that point it is necessary to explain how the omnibus got on to the London streets. Quantitatively enough, the responsibility must be traced back to the French theologian and mathematician, Pascal, for he gave

17th-century Paris the original omnibus, and it was introduced into London by a coach-builder, George Shillibeer, who had set up business in Paris as a bus-builder. Coming to the conclusion that it would pay to run this vehicle in London, Shillibeer, on July 4, 1829—exactly 108 years ago to the day—started a service between the "Yorkshire Stingo", in Marylebone, and the Bank, by way of Somers Town and City Road.

He advertised the vehicle as being in the Parisian style, and he received a very good press for this innovation, which accommodated 16-22 people, the charges being one shilling for the full journey and sixpence for the half-way stage. Shillibeer was far in advance even of the present century, for he supplied his passengers with books and newspapers. Unfortunately this benevolence was misplaced, the literature disappeared from the vehicles and the amiable attempt to combine transportation with instruction had to be abandoned. Moreover, Shillibeer himself lost money on the whole enterprise, although he had proved the need for its existence and other proprietors soon came on the road. Competition lowered fares and the threepenny bus came to be an institution as well recognized as the twopenny post.

But Paris had not given up its mentorship of London, and it may be surprising to the patriotic cockney to learn that the London General Omnibus Co., which may be said to have eventually formed the backbone of London's traffic, was started in Paris in 1855, when Anglo-French friendship was being cemented in the Crimean War, as the *Compagnie Générale des Omnibus de Londres*. Three years later it was reconstituted as an English company under the name which made it famous, although it actually started operations in 1856, and not satisfied with the adaptability of the French design for London streets, offered a prize for an improved type of vehicle, which was won by Mr. Miller, of Hammersmith. Although smaller bus companies operated, the London General speedily asserted its supremacy, so that in 1856 it owned 600 vehicles, or three-quarters of the total.

The last general horse bus disappeared from London in 1911, fourteen years after the first motor omnibus had made its appearance in the streets. The change from a large and costly fleet of horse buses could not have been more quickly effected, especially when the necessity for long and expensive experiments with engines and chassis to produce the right type of vehicle is taken into account.

Foreign pioneer work in London again showed itself with the coming of the tramways. Even the oldest inhabitant of Bayswater would probably be indignant if he were told that there was once a tramway linking up Marble Arch with Notting Hill Gate. But the statement would certainly be correct, for George Francis Train, an American engineer who had built tramways in Boston, U.S.A., laid down that line in 1861, though it was quickly taken up, and generally the coming of the trams was resisted by vested interests in London, so that the first regular line was not opened until 1870. Those well acquainted with modern history know that the trams were kept at a distance from the purely metropolitan area, and right up to the advent of the London County Council the tram terminus nearest to Charing Cross was probably at the point where Hampstead Road becomes merged in Tottenham Court Road at the junction with Euston Road.

The first tramway in London regularly operating was between Brixton Station and Kennington Gate, in 1870, and it was followed a week later by the opening of one between Whitechapel Church and Bow Church. Before then a railway had penetrated the metropolitan area in 1863, when a mixed gauge line was opened from Paddington,

Bishop's Road to Farringdon Street. The next year the Metropolitan District Railway was incorporated, and in 1868 its first section was opened between High Street, Kensington, and Gloucester Road, and the Metropolitan Railway Extension from Baker Street to Swiss Cottage also came into existence.

In one respect London refused to defer to foreign leadership and herself led the world by opening the first tube railway, in 1869, between the Tower and Bermondsey. This railway carried passengers by cable car, but when the Tower Bridge was opened in 1894 it was ignominiously deprived of its passenger status and has been used ever since for carrying the hydraulic muckness in their reception of these attentions.

The Inner Circle, beloved of Londoners, was completed in 1884, its transport function being the linking up of the Metropolitan and District Railways. It rapidly came to be a familiar feature of London life, but nowadays its individuality seems to have been almost entirely lost in the general level of comfort and elegance brought about by the electrification of the whole service. Old Londoners still remember the peculiar mixture of fog and smoke which attended their adventures on the Inner Circle. In those days of dim lighting the experts more readily knew the location of the station at which they had arrived by the particular odour of the atmosphere than by an ability to read the writing on the dirty lamps and mildewed walls.

Students of that curious institution known in China as "squeeze" would be surprised to know that it was a recognized feature of omnibus organization in London up to 1891. In that year the employees of the General Omnibus Co. went on strike because of the introduction of a roll ticket system. The new method was resisted because hitherto the conductors had paid themselves and the drivers out of the day's takings. This system permitted a leakage in the receipts in which horse-keepers, time-keepers and other employees also had their share. However, virtue prevailed, the strike lasted only a week, and to-day the suggestion that a bus conductor seeks remuneration except through the recognized channels would be properly and indignantly resented.

Although the Tower and Bermondsey has the honour of being the first tube railway in the world, the first tube to come into existence and maintain its functions was the City and South London Railway, opened in 1890, from King William Street to Stockwell. The Central London Railway was incorporated in 1891, and it took nine years to build. Known because of its uniform fare as the "Twopenny Tube," this line from Shepherd's Bush to the Bank may be said to have thoroughly popularized a system which now has spread itself underground to the enormous acceleration of London's traffic.

There was another tube planned in 1892 which had a curious history. The idea was to provide it with tunnels of a sufficient diameter to accommodate the main line passenger rolling stock, and this now is known as the Great Northern and City Railway, but it has never been used for main line trains, as the original scheme for through running on the Great Northern Railway did not materialize. This Great Northern and City Railway was actually opened in 1904, and two years later the Bakerloo Tube from Baker Street to Lambeth also opened.

The expansion of London's Tubes, Trams, Buses, and the other linked means of transport has of course had an important bearing on the housing problem. Just as built-up areas have sprung up as the by-product road cut through the countryside so quaint and depressingly regimented suburb have clustered round the new Tube railway heads. Thirty years ago Golden's Green was what its name implied, a village of green fields. Then came the Tube railway from Hampstead. That was in June 1907. Two years later the new station was handling just under 2½ million passengers. To-day it handled over 13¼ millions. Thus does transport im-

BIRDS IN NORTHERN GARDEN

Shrikes and Magpies Make Merry Round Chefoo: Conduct Prize to Humble Sparrow

By AUSEX

Chefoo, June 28.

There are those birds again! What is it all about? I thought the shrikes were pleasant little birds and not the rogues that they are supposed to be. Yet here they are, day after day, waging a relentless and unprovoked war on poor innocent magpies, who are showing a highly commendable meekness in their reception of these attentions.

It must not be thought that I hold any brief for the magpies. I dislike them heartily and should like to see and hear less of them altogether. But in all fairness one must see both sides, and apart from the hideous piercing of his cry the Chinese magpie is a fairly exemplary bird. I am not aware that he flitches rings or other little trinkets from the homes of mankind, as his European and American cousins are supposed to do.

The worst theft he can be accused of, so far as my knowledge goes, is the bent iron stay of a cycle mud-guard, equally useless to man or bird, but discovered as the sole object with any connection with human beings, when a nest was explored by someone with a taste for such adventures a year or two ago. And even that might not have been the work of the magpies but of the later tenants, a pair of red-legged falcons who were engaged at the time in a furious suit against the magpies.

As to the shrikes I rather like them. They are ornamental, not too destructive, and moderate in their chatter—compared with the magpies. And I have always cherished a feeling that these small shrikes were maligning on the strength of the misdeeds of their larger relatives. But this month they have come out of their way to show themselves as little bullies. For a long time anyone with ears to hear has noticed that magpies and shrikes in conjunction mean noise and disruption, and most of us assumed that the larger birds were the aggressors and that the little visitors were putting up a justifiable defence of home and property. Nothing of the kind. Day after day for nearly a fortnight the same performance has been staged right under our windows.

Their Daily Programme

The order of events is something like this. At 8.20 a.m. a magpie puts

provement increase the urban population. Hendon in 1907 had 29,000 inhabitants, to-day its population is probably 130,000. And Hendon is served by the same Tube as Golden's Green.

These are more or less random extracts from the calendar of London's traffic and they are sufficient, perhaps, to show some of the more salient developments from the ancient to the modern mode. Nowadays, escalators, mechanical booking clerks, and all the other machinery for speeding up and saving labour, have greatly contributed towards the efficiency and expeditious handling of the daily streams of traffic necessitated by London's business and social requirements.

The creation of the Transport Board has brought under one central organization electrified railways, tubes, tramways, omnibuses and motor coaches and the ancillary power-houses of a gigantic network of transport. The Board serves an area of 2,000 square miles, a population of 9,400,000. In a year it carries about 3,400 million passengers. It operates over 227 route miles of railway, 328 route miles of tramway, 18 miles of trolley-bus route, and 2,388 miles of bus and coach roads.

People in Shanghai have often talked about the trolley bus as if it had made great inroads into the tram services in London. That is only partially true, and, in particular, London was late in adopting the vehicle in 1931, and still has only 18 miles of trolley bus lines, as against 328 miles of tramway. But conversion schemes are in progress which will actually increase the trolley bus mileage to about 90 miles, and an additional 60 miles will be brought into operation in due course, so that eventually the proportion of tramway mileage to trolley bus mileage will be about fifty-fifty. The Transport Board owns 11,863 passenger vehicles, of which 5,573 are buses and 2,560 tram-cars; its railways operate 3,156 cars—and what has Shanghai to say about that?

in an appearance, alighting gently upon the path in our front garden. He hops on to the small lawn and almost at once a shrike gives voice from a mimosa tree 20 yards away. The magpie pays little attention. He stands still for a moment and then waddles forward to forage for titbits near the surface of the ground. A peck, a shake and a pull and he has something in his beak. The chattering goes on in the mimosa tree, now a solo, now a duet, and sometimes a dialogue. I am not one of those who can put words to represent the utterances of the wild creatures, and I shall not try.

Presently there is a swoop—and one of the shrikes makes a sharp glide at an angle of about 40 degrees and skims within an inch or two of the head of the standing magpie and then turns sharply and flies up into a tree 20 feet away, to resume his stream of abuse. His mate at once flies over to join him, and the two sit up there, perched about a foot apart, ruffling their feathers, poking forward their heads and chattering with the utmost acceleration they can make. The magpie makes no reprisal whatsoever. At the swoop he may turn his head and open his beak in a sort of snarl, and occasionally he may give a half-hearted peck, but he seems to have no intention at all of putting up a fight or administering chastisement to the impudent little aggressors. And so it goes on.

This morning one of the shrikes after his second or third pounce perched on a small shoot only a couple of feet from the ground and only two or three yards from the magpie, on whom he turned his back and actually tried to assume an attitude of contemptuous indifference by way of change and to rest his voice. The magpie continued to shuffle about and got very little out of his foraging and presently his walk took him close to the spig where sat the shrike. The latter turned and uttered something harsh and swooped again, whereupon the magpie turned and fled a few yards, pursued by his little foe.

End of Performance

Presently he came back again and the last I saw of the performance was when he waddled round the corner out of sight. Presumably he flew off elsewhere soon after this, for the noises ceased. Yesterday the performance closed by both the magpie and the shrike flying up almost straight for the window from which I was looking down at them. The magpie saw me and went on upward over the roof. The shrike did not see me and perched on a dangling piece of creeper almost within reach. He sat there for a time and then flew off to join his mate in devising some new piece of mischief.

If it were possible for such empty-headed birds to be worried to death one might expect these magpies to be bordering on that condition but they do not seem to take this persecution amiss. Sometimes three or four of them raise a fearful chorus which entirely drowns any other garden noises, and one finds that it is just their way of disapproving of bird-watching by our neighbours' black cat. One can perhaps excuse that. One would like to feel that the magpies had enough self-respect to resist or chastise the impertinence of their small neighbours, and, while acquiescing them of being in the wrong in this case, I still cherish a dislike for the magpie race. In fact the whole performance makes me think that the prize for good conduct must go to our humble friend the sparrow.

BEACH HOTEL

MOGI (near Nagasaki)

Spend your Holidays at Mogi. This hotel is well-known to residents in China as one of the best resorts in Japan. Only 20 minutes from Nagasaki (motor-car hire Yen 2).

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S. SUNADA, Proprietor.

To China's Wild West by Car—XI

PICTURESQUE MOUNT OMEI

Coolies Carry Climbers in Modified Mountain Chairs: Love of Tradition

By W. LEWIS

Mt. Omei lies just 160 miles south-west of Chengtu and is connected with it by a good macadamized road. The excellence of the road is, as usual, due to the fact that Gen. Chiang Kai-shek resided on the mountain for some months about two years ago. The bridges, however, have got positively dangerous with large holes and loose rotten planks. To these latter I ascribe the fact that I had no less than three punctures on the short run, and only reached the foot of the mountain in the late afternoon instead of at noon, as I ought to have done.

There are two large rivers to be crossed en route. The first, the Min River, has two branches, one of which is fordable by cars in dry weather, the water being about six to nine inches deep and the ford marked with flags. On my return journey, there having been heavy rain in the hills, the water had risen nearly twice as high and some over the running boards of the car. By getting coolies to push the car, and not starting the engine, I managed to get through without damage; but how a car could cross if the river rose much further, I do not know. At the other river, a branch of the Kiating, the ferry is worked in a curious way, by two different sets of ropes moored to small boats anchored in mid-stream. The ferry is pulled up-stream on the first rope, placed at the correct angle and shot out into mid-stream by the current, when the first rope is dropped and the second picked up, and the process repeated the other way about.

The road fees are not cheap, as I had to pay \$12 in road and ferry tolls for this short distance. One can hire a private car to Omei and back for about \$130, but the cheapest way of getting there from Chengtu is by the bus to Loshan (Kiating) which you leave at a place called Chia-chang, from where you can do the remaining 25 miles by rickshaw or litter to the large temple of Paokoussu at the foot of the mountain.

Mt. Omei a Stiff Climb

Omei is quite a mountain: between 10,500 and 11,000 feet, and a very stiff climb indeed. As a *tour de force*, with a well-manned litter and lightly-laden porters it would be possible to make the ascent in one day. But as the weather at the top is always very uncertain, and as one's transport is quite an expensive item, there is no point in doing so, unless one is pressed for time. It is wisest to allot several days, better still a week, for a visit to the mountain. Like most sacred mountains I have visited, the greater part of the ascent is by thousands of stone steps which go up the hill side at a very steep angle and make the climb difficult and tiring. It struck me that, in many sections, the path could have taken a much easier line, so perhaps these long stretches of stone steps going interminably straight up the face of the mountain, have been purposely so built, in order to add to the merit of the pilgrim who makes the laborious ascent.

The litter (*hsia kan* flowerly pole, as it is called locally) is the generally-used method of making the ascent. It consists entirely of bamboo and is as light, simple and comfortable as could possibly have been devised. One can almost lift the whole thing with one hand, and the total cost is probably well under \$1. It consists merely of two poles of green bamboo held together at either end by pieces of split bamboo, a swinging seat of split bamboo slung by strips of bamboo to the poles, and, as an excess of comfort, an awning of white cloth held up by arched bamboo rods tied to the poles. (It is better to have this awning removed, if there is no sun or if it is not raining, as it tends to obscure one's view). In this swinging seat, with a piece of bamboo fastened to the front, one sits as a foot-rest, one half-sits half-lying comfortably and with a feeling of complete security, much more so than in the ordinary rigid sedan-chair, and looks down between one's feet at the steep slope of the steps below one.

The only trouble about this litter is getting it into and out of it; for in order, presumably, to meet the exigencies of the narrow path, the poles are set so close together that I, who am by no means a stout person, had to stand sideways between them and then with a twist of the body jerk myself into the swinging seat. Two coolies carry a *hsia kan*, and this is quite sufficient, if one only does short stages. But as I did "double" stages and the litter was

occupied all the time, as I shared it with my servant, I took along two spare carriers.

Pick-a-Back Trips

There is, however, a still cheaper way of being carried up the mountain for those who want a thrill. A small wooden seat is strapped over the shoulders of a coolie who will thus carry you pick-a-back all the 10,000 feet up to the summit. I saw several persons making the ascent in this fashion, but they looked extremely uncomfortable, and all seemed to me to be wearing an expression of strained anxiety. The *hsia kan* is merely for the transport of one's persons. There remains the question of bedding and food. It is true that all the temples provide beds and bedding, but the latter is distinctly not to be recommended, as it invariably contains live-stock. The food, too, at the temples, entirely vegetarian of course and vegetables at that, is very unappetizing and not the kind of thing one wants after a stiff climb of several thousand feet. I therefore hired two porters, the one to carry my campbed and bedding, and the other a small suitcase with warm clothing for it is quite chilly at the top) and basket with food, loads of about 60 to 70 pounds; though actually they are supposed to be able to carry anything up to 100 catties.

Thus, in all, I took with me six men: four chair coolies and two porters, and paid them \$1 each per day, for three days travelling a total of \$18. The actual rate is 80 cents a day for the regular shorter stages and 40 to 60 cents food money for each day of rest; but for a longer stay at one place (such as the summit) a general lump sum can be arranged. All the temples on the road cater for pilgrims and are very sophisticated. They have fixed printed tariffs varying from \$1 to \$2 per room per night according to size, and extra for food. And even with this the priests were not always content. So that the whole expedition to Omeishan is by no means cheap.

Troublesome Mosquitoes

Having been delayed on the road, as I said, I only reached the large temple of Paokoussu at the foot late in the afternoon and so had to stay there the night. It was noisy, uncomfortable and unattractive place, and the mosquitoes were very troublesome. If possible, it is therefore best to try and arrange one's times, so as to make the large and more comfortable temple of Wannien-su the first day's stage. It is an easy climb (3,000 feet) of about four hours from Paokoussu and has numerous guest-rooms. (I stayed there on my way down).

It contains the most interesting object that I saw on the mountain: a large image of Buddha nearly 20 feet high sitting on the elephant which, according to legend, brought him to Mt. Omei from India. A lotus-flower forms the saddle; but the elephant which is only about ten feet high looks rather out of proportion. The casting is said to date from the Tang dynasty, about the seventh century A.D. The name of the temple, literally Temple of Ten Thousand Years, means in figurative language the temple of His Majesty the Emperor, and is said to have been repaired and enlarged by the Ming Emperor Wan Li who was a devout Buddhist.

The second stage would then be the temple of Hsihsiangchih (Elephant's Bathing Pool), over 8,000 feet, about six hours' pretty hard climbing. The third stage would be the summit, about five hours.

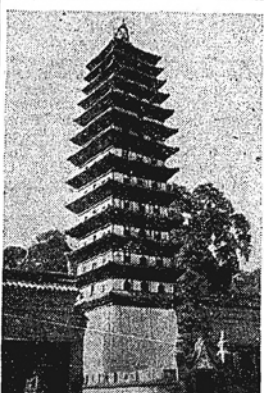
Cloudy Weather Met

I have no luck with sacred mountains. Whenever I go near one with intent to ascend it, it at once starts raining or it shrouds its head in clouds. Such was my experience on this trip: at the Huangshan in Anhui, at the Hengshan in Hunan and Mount Omei was to prove no exception. We left Paokoussu before six on a morning of brilliant sunshine and climbed all the rest of the day in the weather reaching the Elephant's Bathing Pool in the early afternoon. There was still plenty of time to reach the summit before dark, and for one short moment I toyed with the idea of pushing on. But I was tired, and I was very tired, and in the face of the tremendous opposition that arose at such an unheard-of proposal—three stages in one day—I gave way and we remained where we were.

Perhaps it did not matter after all, for towards evening we were completely enveloped in clouds, and during the night it started to rain

steadily. The Elephant's Bathing Pool is a large temple picturesquely situated among pine woods, with a paved terrace from which one gets a good view over the Chengtu plain. A small pool at the back now walled in and with a small stone carving of an elephant on one of the balustrades gives the temple its name. In this pool, according to tradition, Putsen's elephant is said to have taken a bath after crossing the western mountains.

On the following morning despite the pouring rain I set off for the summit. Not a thing was to be seen; everything was enveloped in swirling mists. On this part of the climb my attention was called to a bare face of rock at the side of the path on which were three large and badly drawn characters in red: T'iyishan (No. 1 Mountain). I was told that these characters were of miraculous origin, appearing and disappearing in regular rotation on the surface of the rock, and that the fact of all three characters appearing at the same time was a particularly auspicious omen. Remembering the fable that was raging in the plains below, I failed to see where the "auspiciousness" came in, and as the cold rain dripped down the back of my neck it seemed to me that a priest with



Szechuen pagoda, visible from Mt. Omei on a clear day.

a ladder and a pot of paint was much more likely to make such a poor guess, than would a divine miracle. Nor was I any more impressed by two figures in some temples we passed through which, if I understood rightly, were pointed out to me as lacquered mummies of two particularly saintly abbots. If they were mummies, they certainly looked pretty moth-eaten, that is to say if moths do feed on mummies.

Temples Being Repaired

The temples at the top appeared to be undergoing repair; some were half pulled down; planks and beams lay scattered about in the mud in all directions; and the whole scene in the pouring rain was one of desolation. The chief sights on the summit are, however, the magnificent panoramas, the distant view of the snow-covered peaks on the Tibetan border, and "Buddha's Glory." This last is the magnified shadow of a person standing at the edge of the plateau reflected on the clouds below by the sun at his back. But it is accepted by the devout pilgrims as a picture of the Buddha bestowed on the particularly fortunate.

Of all this, including "Buddha's Glory," I never caught a glimpse. But I must admit that I was not feeling very devout just then, as it was very cold at the top and I was very wet. So after wandering disconsolately about in the mud for a short time I withdrew to the kitchen of one of the temples and tried to dry myself over its fire. After waiting some time, but the wether showing no signs of clearing up and the priests, much to my surprise, saying that it was not going to, I decided to return to warmer and lower levels. The priests argued that their prayers had been successful and that this rain was the beginning of the rainy season and the end of the drought.

Why they should have tried to persuade me of this, I do not know. Anyhow they were quite wrong: not only had it stopped raining by the time we got to the foot of the mountain, but no rain had fallen only a few miles away, nor did any fall in the province for the rest of the time I was there.

Subscription Book

The inevitable *guan pu* (subscription book) was then produced. In view of weather conditions I felt scarcely in mood to emulate the munificence of previous travellers who had put down their names for astonishingly large amounts, together with songs of praise, some, if I remember rightly, even in verse. A single dollar was all I subscribed, with the querulous note "Pouring

rain," though I took care to leave plenty of space after the figure one. I have seen quite a number of these *guan pu* by now, and they always make cheerful reading; they restore one's confidence in human nature. Mountain heights seem to have a wonderful effect on peoples' generosity; so different from what one notices in the cities and the plain, when one listens to those same people discussing the cost of a trip to the T'ai-shan or to Omeishan.

By the time we got back to the Elephant's Bathing Pool it had stopped raining, and we found that fresh guests had arrived. A troop of wild monkeys were disputing themselves on the terrace in front of the temple. Disputing, however, is rather a misleading term. What was actually happening was that three huge, old fellows were stuffing themselves with all the good things that the priests had thrown to them, while the rest of the herd perched at a safe distance on the balustrade or on the roofs of outhouses watched them with hungry eyes. If one of the bolder spirits, either from greed or curiosity, ventured within the range of the great men, the fur flew, in the literal sense of that term.

No Chivalry Practised

Nor was there any chivalry about it: ladies with babes-in-arms were treated quite as roughly as any of the males. Only when they had made quite sure that there was nothing edible left, were the rest of the troop graciously permitted to grub about among the litter. And even then they had to be careful, and, if they found anything, swallow it hastily, as otherwise it was ruthlessly snatched from them.

It was a pity these monkeys could not talk. I should have liked to have asked them—in a private interview of course—what they thought of their leaders. Though, as the priests said that these latter protected the herd and did all the fighting, I suppose it would have been the old story that the community bore with them for reasons of state.

The priests seemed to be very fond of these monkeys which visit the temple at regular hours and feed them not only with scraps from the table but with handfuls of dried beans and peas. My companions and I were charmed with them, a feeling I did not share. The three big fellows were not even ordinarily civil. When I gave one of them a biscuit which I could ill spare, he was not the least bit grateful, but tore at my rain-coat, because I did not offer him another. Nor do they even share the weaknesses of their kind, for when I tried to take a close-up of one of them, instead of posing for me, he angrily tried to snatch the camera out of my hand.

The priests had all sorts of wonderful yarns about these monkeys. One was that there is a kind of all the monkeys on Mt. Omei who lives in a cave and never issues out, but calls back the different troops by a signal which is audible to the monkeys but not to human beings, and that thereupon the herd returns bringing back with it all the daintiest morsels it has collected for his majesty's delectation. This story, of the face of it, is an invention. From what I saw of the conduct of the three gentlemen on the terrace I am quite sure that not one of them would ever dream of leaving anything edible for a king or for anybody else.

Descent Much Quicker

For the descent a different, though somewhat longer, route can be followed, to the temple of Chia-shung (Cave of the Nine Ancients) which lies on the thickly-wooded slopes of a side valley. This would be the first stage on the way down which can be done somewhat quicker than the ascent; and the second would be to the foot of the mountain. I did not take route, as it had started to rain again, but stayed at Wannien-su which I mentioned above.

Having missed the sights on the summit I was, I must confess, slightly disappointed with my visit to the mountain. The scenery undoubtedly is very fine, as the upper slopes are still well-wooded, but, truth to tell, I was by that time somewhat surfeited with fine scenery. On the other hand, the dozens of temples scattered over the mountain—you pass one about every half hour or less, and there are said to be over 70 all told—are distinctly disappointing: plain, unpainted, large but like structures of wood without any architectural features whatsoever. They are not to be compared with the beautiful temples one sees round Peiping or in other parts of China. The continual succession of crude plaster figures, interspersed only very occasionally with one of bronze, becomes very tedious indeed unless one is specially interested in Buddhist art.

Those who intend making a trip to Mount Omei and are interested in that kind of thing should get the new edition (1936) of the Illustrated Guide to Mt. Omei, with translation by Prof. D. Lindsey Phelps.

XII.—THE PLUNDER OF SZECHUEN

Szechuen, as I have always been given to understand, is the richest province of China, not only on account of its large, undeveloped mineral resources, but also because of the fertility of the soil. Yet no one would believe this who visits that province to-day and listens to the stories of misery and oppression, and of the difficulty of making a livelihood, that are poured into his ears by peasants, merchants and missionaries, and, last but not least, by Chinese from other provinces.

Nor, I hasten to add, had these complaints anything to do with the present famine, which is a mere passing disaster; Szechuen has been fairly free from drought in recent years, and the complaints one heard in the well-watered Chengtu plain were just as bitter as in any of the famine districts. No, the plague that afflicts the province is a long-standing one, of man's and not of nature's making. The plain, if unpalatable, truth is that Szechuen is the worst governed province in the whole of China.

It is, of course, common knowledge that for the last quarter of a century, ever since the fall of the Manchu dynasty, the province has been the happy hunting-ground of military adventurers who with their so-called armies fought each other for the right to plunder its population. Though why they should have been at so much trouble to stage these little wars is not so clear, seeing that they all took their turn in plundering the province, coming into power and going out again, as regularly as in the most respectable parliamentary government.

No doubt there were occasional spells of peace—as, for instance in the last two years—but that brought no relief to the harassed population. On the contrary, it was even worse for them, as then the military gentleman in power set out to reap the fruits of his victory and to make hay while the sun shone.

Land-Taxes Collected in Advance

Land-taxes collected for years in advance are a typical example of the sort of thing that has been going on in the province for years. For over 96 years in advance, as quoted to me by one authority, may be an extreme case, but I have no reason to doubt the figure of 62 years given me by another informant who had lived for years in the same district and was not given to exaggeration; while 20 years was the minimum I heard on all sides.

And the cream of the joke is—though no joke to the poor peasant—that when on a change of régime he went hopefully along with his bundle of tax receipts expecting a remission of taxes, after having paid them so long ahead, he was met with the reply, "Ah yes, very sad, very sad indeed. But that was the other fellow's doing. It's no concern of ours. We are a new and model government, and for that reason we threw him out. And now that we have relieved you of his tyranny, we are sure you won't mind subscribing to our campaign expenses. We are only asking for a mere ten years in advance." And so the game goes merrily on. To-day the peasants are paying annually four years land-tax in advance, as this solemn foolery is still called. Therefore, in fact it merely means that they are paying four times the legal land-tax.

Other Illegal Levies

Another great source of revenue is the rice-production tax, a tax levied directly by the military, which at times, I was told, has amounted to 90 per cent. of the market value of the rice, until in some districts the peasants for fear that they were up the impossible task of growing up on such terms. In one district through which I passed, the military were actually exacting a super-tax of \$1 per bag on rice that was being exported to famine districts. Business, in its turn, is milked by the terrific provincial import duties (the famous so-called illegal taxation). I did not go into the actual details, as they seem both arbitrary and fluctuating, according to time and space. But I know the figure for one product in which I was most nearly concerned: the tax on gasoline, which is 35 per cent. of the invoice value.

The provincial import duties afford the military further sources of profit, in that they bring in cargoes free of tax which they sell in shops opened by themselves or in firms where some military person is the titular head. For no concern of any kind is allowed to exist in Chengtu, unless it is prepared to share its profits with the military. What chance the ordinary shop has of competing against this kind of undercutting, it is easy to guess. Under such conditions, it is scarcely strange that capital has shown itself very shy in Szechuen, so that hitherto there has been practically no attempt to develop the very considerable mineral resources of the province. There

are innumerable other taxes, legal and illegal, which would take too long to enumerate. I also heard, without surprise, that there was, and still is, a very considerable Communist element all over the province. What is much more surprising is that, in view of such conditions of misrule, the whole province did not go Red at the time of the Communist invasion two years ago. It speaks volumes for the patience and level-headedness of the peasantry.

Intolerable Bandit Conditions

All this heavy taxation is due partly to the waste and extravagance of former régimes—there are quite a number of millionaire generals and ex-generals in the province—and partly to the expense of keeping up the different provincial armies which alone are said to be well over 200,000 men. Yet despite all the money lavished on their upkeep they appear to be completely useless. Banditry still flourishes; in no other province did I receive so many warnings; and although I myself did not come across any of these gentry, missionaries from up-country districts described conditions as intolerable, while the local papers were full of reports of raids on the smaller towns and villages.

The attitude of the provincial troops in such cases was, I was told, that it was no concern of theirs, as they were only there to resist a foreign foe (right away in the heart of Szechuen) and that bandit suppression was the business of the local militia. As a good example of the kind of discipline that exists in these armies may be repeated the incident that occurred at Tzeliutzing last March (as reported in this journal by its Tzeliutzing correspondent), when on the orders of a certain Mrs. Ma, whose husband, the colonel, was away at the time, a party of soldiers went to the Mission Hospital and arrested Dr. Sheridan and a foreign lady, because they had refused to make up an unsigned prescription, and marched them through the streets at the point of bayonet.

No Apology to Outraged Parties

His Majesty's representative at Chungking protested, I understand, to the provincial authorities, but up to the time I was in Tzeliutzing no apology had been made to the outraged parties, nor had anyone been punished. Indeed, such is the state of indiscipline among the Szechuen forces who are mostly recruited from ex-bandits that I do not suppose any senior officer would venture to punish any of his subordinates. From what I saw of these provincial troops I should say that as a fighting force they were completely useless; a couple of well-trained Nanking divisions would drive them like sheep.

Some observers were inclined to blame the Central Government for the fact that the province has not made as much progress during the last two years, as it had been led to expect. When, after the Red invasion, the Central Government obtained a foothold in the province for the first time, they should, it was argued, have taken the bull by the horns and cleared up the situation for good and all, instead of compromising and allowing things to go on in much the same way as before. In theory, no doubt, this view is correct, but whether such a strong policy was practical at that time, in view of the internal situation, is a question that a mere outsider can scarcely hope to decide.

Harm to Nanking Reputation

One step, however, has quite definitely done a great deal of harm to the reputation of Nanking: when, in return for a loan of \$70,000,000 to the provincial government to pay off its old debts, the Central Government took over the collection of the provincial import duties. The "Szechuen for the Szechuenese" party have not been slow to make propaganda out of this, by pointing out that it is not the Provincial but the Central Government which is now collecting the exorbitant taxes under which the people are groaning, and that there has been no lightening of this burden since then.

Although my own enquiries incline me to believe that the bulk of the population was anxious to see the control of the Central Government strengthened in the province, it may well be, as certain long-standing residents asserted, that apart from the military there is quite a strong party, especially among the more educated classes, who favour an independent provincial government. The Szechuenese, as other provincials assert, and as I myself noted, are great obstructionists, with a very pretty conceit of themselves and their province, and are very anti-foreign. And the word foreign here applies not only to Westerners and the Japanese, but just as much to Chinese from any other province than Szechuen.

Many were the tales I heard of the jealousy of the Szechuenese students for their fellow-students from downriver, and of the consequent frequent brawls. While no Chinese

CHINESE FARMERS' PLIGHT

Oppressed Peasants' Re-financing Measures Bring Them to Eventual Bankruptcy

By HADDORE HANSON

In East Africa along the shores of Lake Nigeria lies the kingdom of the orang outang. As you probably know, the orang outang is the wisest of all the monkey tribes, and the philosopher of the animal kingdom. Its culture has spread far and wide among backward animal species. The centre of this culture is along the western shore of Lake Nigeria, where the ancient tribal headquarters are situated.

Unfortunately the masses of orang outang do not enjoy the bright lights of the culture centres. They are scattered throughout the jungle gathering scanty harvests of bananas, which is the staple food of the orang outang. These are hard working fellows, but rather dull. They sell their harvests for coconuts, which is the official money of that place.

This not very satisfactory situation went on for a long, long time, till one day a very strange thing happened. A warlike tribe of rhinoceros came swimming across Lake Nigeria, invaded the bright cities, and settled down. They brought with them uncomfortable ideas about efficiency in commerce and industry. Every banana tree must produce twice as many bananas. To carry out this plan, coconuts were necessary for capital. From all over the kingdom, hard earned coconuts came rolling out of the jungle into the bright cities.

Self-Congratulation

As the cities grew rich, the foreign rhinoceros congratulated themselves, because they had filled their pockets with coconuts, and made life more enjoyable for their neighbours in the city. No one seemed to worry about the orang outang in the jungle, the poor collector of bananas. There had always been too many of them, and they were always fighting some kind of civil war.

One day something happened which made the city dwellers take notice of the jungle problem. The banana collectors had formed an army and threatened to attack the cultural centres along the lake shore. Hastily the tribal chiefs sent out another army to scatter them, which they did after years of fighting. But the city was then roused to a long-ignored question: what can the city dwellers do to help their country workers? That is the problem of the jungle, and the problem of the Chinese reconstructionist.

Parallel Applied

To simplify the question, suppose we construct an average Chinese farm in the middle of this city. We shall base our model upon the statistics of Professor Buck and his research staff at Nanking University. If we clear away all the buildings from a city block, we will have an area 500 feet square; that is roughly four acres.

Since the average Chinese farm is but two acres (twelve mow), we must first divide the city block in half. On each half we will erect a mud or brick farm house and tool sheds costing \$131. In the tool sheds we will put a plough and a few implements costing \$9.21 for each household. One water buffalo will be shared by the two families, but each has two hogs and six chickens. That is all their worldly possessions.

On one farm we will put six people, on the other five, making an average of five and one half. If each family works hard, and the gods are friendly, the annual income will be \$325 apiece. That is quickly spent. The landlord takes \$75, because part of the land is rented. The family eats \$150 worth of food during the year. Taxes, that is the legal taxes, average \$8 a farm, but special assessments by magistrates and military generals average two or three times that much. Suppose we say the Government takes \$20 from each farmer. That leaves \$80 for fertilizer, seed, clothing, ancestor worship, marriages and

from another province can hope to keep his job for long, from the ordinary house-boy to professor at a government university, unless he enjoys specially powerful protection and not always then; the Szechuenese have a way of making things too hot for him.

This strong provincial feeling arises partly no doubt from the fact that Szechuen has been isolated for centuries by physical barriers. In time, when the railways are built (Sian to Chengtu, and Chungking to Chengtu), it is to be hoped that the province will be opened spiritually as well as economically. But that lies a long way ahead. In the meantime, if anyone wants to see China, as she was 25 years or so ago, this morning and its inhabitants will to-day afford a very good picture.

funerals. When the Chinese New Year rolls around, the lucky farmer breaks even.

"Acts of God"

If this is a cross section of China's 70,000,000 farm families, many city dwellers will remark that the farmer is not so badly off. But the picture is not yet completed. One year in five the farmer loses part or all of his crops. It may be flood or drought, it may be bandits and civil war or it may be only a change of mistral which is accompanied by heavy squeeze.

These forces combined have pushed the average farmer into debt and there is no allowance in his budget for repaying the deficit.

Once in debt, the farmer re-finances his obligations as long as he lives. For the average indebtedness of all farmers in China, the lowest estimate which I have seen is \$70 a farm (some economists say as high as \$350). If the lowest estimate is accepted, China's farm debt now totals the alarming figure of \$4,900,000,000. It may be much higher. This figure has been growing steadily larger since the Taiping Rebellion in the middle of the last century, and is still going up. It is the key to China's agrarian problem.

With this average farm set up in front of us, we can now open our history books, and see what relationship there was between the farmer and the ups and downs of the Chinese dynasty. Students of economic history have boiled down 2,000 years into a single formula, which is applicable to almost every dynasty. First there was a dynastic war which, by local and organized violence, brought reduced the population. This brought temporary prosperity because there was a surplus of land. Population began to grow. Increased wealth invited foreign invasion. To defend the country, tax assessments were increased.

Poor farmers were forced into bankruptcy, their land passing to the landlord. These large land owners, because of political privileges, were often exempted from taxes, which throws a still greater burden back upon the peasant. On the brink of disaster, a fresh rebellion sweeps across the country, reducing the population, and probably unseating the old dynasty. The cycle begins anew.

History Repeated

All these symptoms of Chinese history can be observed upon the average Chinese farm during the last 80 years. As the debts of the farmer rose, land passed steadily into the hands of the gentry, till to-day one third of the 70,000,000 farm households are landless, another quarter have lost part of their land; only 42 per cent. of the farmers can still call themselves independent. This march to bankruptcy from 1850 to 1927 was the direct cause of the Communist civil wars from 1927 to 1937.

To turn the tide of rural bankruptcy, the Central Government in Nanking announced in 1933 several reconstruction programmes which would end all civil war. The first plan would eliminate the warlord. The second would eliminate the Communist. The medicine for the warlord was rapid communications—roads and railways, air lines, telephone, telegraph and radio. Four years has shown remarkable activity, but so far it is difficult to find any direct benefit to the farmer.

Pertinent Communist Medicine

The medicine for the Communist is more pertinent and seems to be borrowed from the microbe hunters who turned one microbe against another. The government proposed to do for the farmer everything which the communists themselves wished to do, with one exception: that the Kuomintang would respect private property rights of the landlord. Government reconstruction is to include (1) a clean-up of corrupt politicians in the district governments; (2) loaning money at low rates of interest; (3) free education, free health service and free agricultural improvement. The programme is excellent. It answers every problem of the farmer except over-population. If this plan is ever carried out, the revolutionist in China will be preaching to deaf ears.

In 1937, only four years after these reconstruction plans were organized, it is very easy to find fault with the work. Many near-sighted writers spent a few days or hours examining the work, and branded it a total failure. If we understand clearly that any observation to-day is purely tentative, that a 4-year old baby can not reveal its own destiny, then it is possible to discuss the present ac-

complishments, the shortcomings and the probable progress in the next few years.

Consider the first point on the government programme: the clean-up of corruption in the district governments. It is well known that the government appoints the provincial governor, and the governor or his subordinates select the district magistrates. Each magistrate has a small political machine in his district, including tax collectors and inspectors who enforce all government rulings upon the farmer.

Rural Bankruptcy Cause

For centuries this clique of district officials, co-operating with the landlord and the money lender, has constituted the largest leak in the Chinese financial system. One investigation made by the Ministry of the Interior, in 1932, covering seven provinces, (published in Chinese by the Commercial Press), revealed that the "special assessments" of these petty cliques varied from three to ten times the legal land tax. This is one major cause of rural bankruptcy.

In parenthesis, it must be asserted that Gen. Chiang Kai-shek is not essentially too conservative. From talking to men in Nanking, Shanghai and Peiping during the last few months, men of every political hue from red, through pink, to die-hard conservatism, my impression is that General Chiang and a few hundred sincere followers are trying to push through a reform programme against the historical inertia of 10,000,000 other officials, national, provincial and local. At present it would seem that it cannot be done till the masses are educated to push from the bottom, demanding a higher standard of government. So much for the political side of reconstruction.

Progress in Kiangsi

Reconstruction along social and economic lines can be studied in a thousand different bureaux of education and agricultural experiment stations and co-operative societies scattered over the country, but the fairest place to judge the Government work is in Kiangsi province. There, in small areas, the National Economic Council is testing every point in its reconstruction programme. About 150 workers are concentrating upon the four-fold programme of education, health, agriculture and co-operative societies. They are expending \$250,000 a year. Surely here if anywhere we can judge the effectiveness of reconstruction, though again reminding ourselves that the work is very young, just three years old.

Early in April, I made a trip into southern Kiangsi and spent ten days at a village centre. I had ample opportunity to examine every phase of the work, both in the village headquarters, and among fifteen surrounding villages where work has been extended. The director is a personal friend, and did not hesitate to express his honest opinions. I found his staff of ten workers sincere and hard working, but the results are meagre. Literacy has been raised from 15 per cent. to 20 per cent. in three years. The number of school children has doubled. The health service has a small hospital, but spends most of its time teaching hygiene in the schools, and cleaning up unsanitary refuse heaps in the villages.

The agricultural department has not had time to show results in its breeding of hogs or seed experiments, but its reforestation is remarkable, setting out half a million seedlings a year. Co-operative loans to the farmer are very disappointing because of red tape involved. The government requires several months to make the necessary investigations by which time the farmer has already borrowed from a money lender.

Heavy Indebtedness

Of a certain village land, 30 per cent. of the farmers own 85 per cent. Half the families have no land at all, and another 30 per cent. own a few mow, perhaps one acre. These conditions, of course, are a carry-over of the civil wars in Kiangsi

Indebtedness is high—70 per cent. of the families have borrowed money, the average being a little over \$100. That is a village debt of \$12,500 among only 175 families. Again, this condition can be blamed upon conditions which pre-dated the reconstruction movement. But here is the disappointing fact, the march toward bankruptcy has not slackened one whit in the last four years. During 1936, ten mow of land were sold to meet debts, and another 20 mow were mortgaged. This is 1 per cent. of the land in that village, which is already 85 per cent. in the hands of the landlords.

None can fail to recognize a slow but vicious economic circle at work, which cannot be changed merely by educating the children or improving their bodies. When the Government has prepared these children for a better social life, they will inherit from their parents a bankrupt village. What can a farmer do when his income is \$120 a year, and his barest essentials of existence consume every dollar of it? There is but one answer: pack up and leave and that is exactly what they are doing. An average of one family a year for the last four years has fled by night, waiving its obligations, and found new life on the untilled fields deeper in the old Communist territory.

Poor Banking Facilities

The crying need of this village, and of every village in China, according to every qualified economist who has studied the question, is an abundance of rural credit at low rates of interest. As was previously mentioned, China's rural debt is at least \$4,000,000,000. Very little of this credit comes from modern banks in the large cities. According to a survey of the National Agricultural Research Bureau in 1934, modern banks have supplied only 2.4 per cent. of all rural credit, and co-operative societies another 2.6 per cent.

The remaining 95 per cent. is advanced by landlords, money lenders, provincial officials, merchants and military leaders who extract whatever a helpless farmer can be forced to pay. Several Chinese magazines have recently been investigating these extortion methods, and have exposed specific cases, giving all details, where loan sharks have charged from 700 to 1,000 per cent. interest, and bankrupted a land owner in five years. That is the major agrarian problem of China, which reconstruction has hardly touched.

The second problem is the corruption of local government, which is receiving scant attention.

The third problem, one which has been greatly exaggerated, is the question of the landlord and the rent which he charges. Radical agitators with their theories based upon the European landlord problem in the days of Karl Marx, are only too anxious to blame the petty capitalist for all ills of rural society. The modification of the Communist land programme in Kansu to-day seems to indicate that the original programme was not entirely suited to China.

Low in Bankruptcy Cycle

To sum up, the Chinese farmer is at the bottom of the old cycle of bankruptcy, which has always in history produced a widespread rebellion. To ward off further civil war, the Government launched in 1933 a programme of rural reconstruction which is excellent on paper, and could solve every problem of the farmer except over-population. To-day the work is only four years old. The two most vital issues—cheap credit and district corruption—have hardly been touched. Free education, health and agricultural services have shown some hard earned results in Kiangsi, but the snail-like pace and the high cost of the experiment seem to indicate the impossibility of extending this work throughout China in the near future.

The greatest encouragement is a growing liberalism among the educated classes which will some day force upon the conservative element of the Nanking Government a more aggressive plan of action.

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COLONY'S FRANCHISE PROBLEM

Various Groups Desire Voice in Government: Remarkable Ship Construction Era

FROM A SPECIAL CORRESPONDENT

Hongkong, June 24.

Periodically, the question of liberalizing the Colony's constitution, so as to give the ordinary resident a voice in its government, arises locally. It has once again come into some prominence following the reprinting here of an outspoken interview which Mr. Roland Braddell, Singapore barrister, gave to a Straits newspaper, in which he made a reasoned plea for greater civic privileges for the "Little Man"—a plea which has found a ready echo in local Press comment. Unlike many other Crown Colonies, both Singapore and Hongkong have Legislative Councils in which the official element predominates and appointment to which, so far as the unofficial members are concerned, is other than by direct election.

In the case of Hongkong, excluding the Governor, who is chairman, there are nine official and eight unofficial members. Of the latter, six are nominated by the Governor and the remaining two chosen by the General Chamber of Commerce and the Justices of the Peace respectively. This, incidentally, is in striking contrast to the Constitution of British Guiana, from which Colony Sir Geoffrey Northcote, Hongkong's Governor-elect will come here. There, the Council is composed of ten officials and nineteen unofficials, of the latter of whom fourteen are popularly elected and the remainder nominated by the Governor.

Disparity in Franchise Privileges

There are doubtless good and sufficient reasons to account for the lack of uniformity in the constitutions of the various Crown Colonies, but, as one of the local journals has pointed out, the disparity in franchise privileges cannot be wholly due to the state of political or educational advancement of the inhabitants, since some of the more culturally backward Colonies have more liberal constitutions than Hongkong enjoys. Possibly the near presence of large foreign political units is a factor in the situation. Be that as it may, there does exist in Hongkong a strong under-current of opinion, seldom made vocal, which favours reform.

The only direct vote which residents here enjoy is in respect of two seats on the Urban Council, the new name given to the old Sanitary Board. This body, however, is merely advisory, and as the elected seats are held for a period of three years, the opportunity of exercising this very limited franchise seldom occurs. More often than not, vacancies are filled without the necessity of election, due to the absence of more than one candidate. This circumstance has been cited as demonstrating a lack of civic spirit on the part of the public, but when account is taken of the relative unimportance of the Council in the scheme of local government, the criticism seems scarcely justified. If apathy does exist, the more likely explanation is the lack of opportunity offered to the average resident in the matter of making his views and opinions felt.

Bristling with Difficulties

It is conceded that the problem of devising a satisfactory electoral system bristles with difficulties, more particularly in the direction of avoiding any swamping of the poll by specific interests or communities. There is the further fact, of which account must be taken, that the masses of the Chinese populace are not fitted for the vote. On the Legislative Council, as at present constituted, three of the eight unofficials are Chinese, all appointed by the Governor. It might be possible, so far as Chinese representation is concerned, to give the Chinese Chamber of Commerce and the Chinese Justices of the Peace, or some other representative Chinese body, the privilege of nominating their own members, or, at least in regard to one of the members, some system of property or residential qualification might be devised.

The non-Chinese community might be catered for by the electorate being drawn, as in the case of the Urban Council contests, from the Jury List, plus those normally liable for but exempt from jury service, which is fairly representative of the English-speaking communities of various races—or a property or residential qualification might also apply for this section of the population as well.

There was a time, some years ago, when, largely due to the activities of the now defunct Constitutional Reform Association, which had quite a large and influential membership, an unofficial majority on the Legislative Council was in favour. Later came a realization that, under such a system, special interests might control the government. Such feeling as now exists on the subject inclines in

the direction of retaining official predominance, but making due provision for direct election of unofficials, excepting, possibly, those chosen by the Chamber of Commerce and the Justices of the Peace. The demand is modest in character, and there seems no adequate reason why it should not be granted, the more so when it is borne in mind that Europeans are making their homes here to a far greater extent to-day than ever before in the history of the Colony.

"Disgrace to Land of Birth"

Resentment has been expressed, in the Press, and freely in conversation, at some remarks, made at a missionary meeting in England, by the Rev. E. H. C. Tribbeck, until recently minister of the English Methodist Church in Hongkong, which are considered to have given a wholly unwarranted and distorted impression to people at Home of the life led by young Englishmen in this Colony. Conceding that the British civilian population, "mostly Government servants," are a credit to Britain, Mr. Tribbeck went on to say: "But there are many Englishmen who are a disgrace to the land of their birth and the enemies of all missionary work. In the name of God," he declared, "why do we allow such drunken, foolish, and dissipated men to go abroad and represent us to the people of the world?"—a remark greeted by applause. One local journal, in commenting on the subject, does not deny that there are a few black sheep in the Colony, but adds that they are on no sense typical of the place—they are to be found everywhere. "By and large," remarks the editor, "we should say that the young manhood of Hongkong is to-day far more serious-thinking and more morally clean than at any time in its history."

Another newspaper regrets that Mr. Tribbeck, in adopting the role of crusader, was not sufficiently discriminative, and that he did not speak as strongly while he was in Hongkong, when his strictures would perhaps have been more effective and could have been challenged with better prospect of understanding. But the journal takes occasion to point out that prestige can only be maintained by conduct, adding "Drunkenness and bad language are not the only sins: there are also corruption and brutality."

Ship-Building Boom

Hongkong shipyards are at the moment enjoying a boom such as they have not experienced for very many years. In all, there are fourteen ocean-going vessels under construction, and there are now only nine nations which can show higher figures.

The extent of the boom is revealed in statistics issued by the local office of Lloyds Register of Shipping, which disclose that during the second quarter of this year vessels totalling 40,000 tons have either been completed or are under construction. Indeed, if we exclude the United Kingdom, tonnage now being built locally exceeds that for the whole of the British Empire. Only Belgium, Denmark, France, Germany, the United Kingdom, Holland, Japan, Sweden and the United States can show higher figures than Hongkong.

Of the vessels being built, the biggest are two liners, each of about 10,000 tons, for the Blue Funnel Line, now under construction at the Taihook Dockyard & Engineering Co.'s yards. These are sister ships of the vessels now being built in England for the same company, designed to be the most powerful freighters in the world. The keels of three large Indo-China Steam Navigation Company steamships are now being laid at the Hongkong & Whampoa Dock Co.'s yards at Kowloon. They will be named, Liwo, Taisang and Wing-sang. The two last-named will be modern coastal liners of 3,500 tons gross, while the Liwo will be a river vessel of 880 tons.

Other vessels are being built to satisfy orders in Australia, India and the Philippines.

Meanwhile, business generally shows a marked improvement, the latest statistics showing that the total visible trade of the Colony increased in terms of local currency by over 30 per cent in May, compared with the same month last year, and by over 27 per cent in terms of sterling.

Compared with the corresponding period of last year, in the first five months of the year imports increased by over 34 per cent, in terms of local currency and by over 29 per cent, in sterling; while exports improved by over 34 per cent in local currency and over 29 per cent in sterling.

Comfortable Retiring Allowance

A question which is not without its interest to Shanghai has cropped up in the correspondence columns of

a local journal—namely, how much money would a married couple need to be able to retire, on a reasonable standard of comfort, in the Old Country.

The matter arose from a letter written by "Old Resident," who sought information on the point whether a capital of £5,000 or £6,000 would be sufficient. He envisaged a quiet life in the provinces, without luxury, and without even a small car, while as to servants he would not expect more than a woman to help with the rough work, or, maybe, a daily maid.

The enquiry has drawn a goodly number of replies, including quite a number obviously from insurance agents, who espied an opportunity of doing a little annuity business.

The only concrete response was from a correspondent who expressed the view that a couple could live very quietly in the South of England on £2 10s. a week, but this would mean careful pruning of expenses, specially to anyone who has lived for any considerable period in the Far East. The correspondent adds that retirement on a clear £5 10s. a week would provide for occasional luxuries, but in such a case life would still have to be lived fairly quietly.

In these matters, of course, locality would be a big factor, to say nothing of a clear-cut definition of the standard of living expected.

CHINA'S SKIES FOR JULY

- 1.—Saturn in conjunction with Moon, 6.53 p.m. S. 7° 47' N.
- 2.—Mercury in Perihelion, 1 a.m.
- 3.—Uranus in conjunction with Moon, 7.50 a.m. U. 3° 17' S.
- 4.—Venus in conjunction with Moon, 7.11 a.m. V. 4° 49' S.
- 5.—Earth in Aphelion, greatest distance from the Sun, 94,454,300 miles, 11 a.m.
- 6.—Mercury in conjunction with Moon, 0.27 p.m. M. 4° 5' N.
- 7.—Mercury in Superior conjunction with Sun, 7 p.m.
- 8.—Neptune in conjunction with Moon, 2.12 a.m. N. 6° 47' N.
- 9.—Jupiter in opposition with Sun, 4 p.m.
- 10.—Mars occulted by the Moon, 5.09 a.m.
- 11.—Saturn at Stationary point, 6 p.m.
- 12.—Jupiter in conjunction with Moon, 4.59 a.m. J. 3° 34' S.
- 13.—Saturn in conjunction with Moon, 0.23 a.m. S. 4° 44' S.
- 14.—Uranus in conjunction with Moon, 3.29 p.m. U. 3° 3' S.

Constellations at 9 p.m.

In the north, Draco and Ursa Minor are above Polaris on the meridian, Ursa Major in west, Cepheus east, and Cassiopeia below the east. In the east, Pegasus is rising, the Dolphin is well up, Cygnus almost midway to meridian, and Lyra still higher; east of the meridian are Hercules, and Serpens; Corona is on the meridian, to the west of which lie Leo and Cancer. In the south, along the Ecliptic—Capricornus is rising, Sagittarius (the Archer) is next, Scorpius is directly east, Libra is past the meridian, Virgo midway, and Leo has almost reached the horizon. The Milky Way crosses the sky from N.E. to S.W. The Southern Cross may be observed in northwest in the first week.

Phases of the Moon

- | 1.—Last Quarter | 9.03 p.m. |
|-------------------------------------|-----------|
| 2.—New Moon <td>0.13 p.m.</td> | 0.13 p.m. |
| 3.—First Quarter <td>5.38 p.m.</td> | 5.38 p.m. |
| 4.—Full Moon <td>1.42 a.m.</td> | 1.42 a.m. |
| 5.—Last Quarter <td>2.47 a.m.</td> | 2.47 a.m. |
| 6.—Moon in Perigee <td>5 p.m.</td> | 5 p.m. |
| 7.—Moon in Apogee <td>8 p.m.</td> | 8 p.m. |

RISING AND SETTING OF THE MOON

- | Rises | Souths | Sets |
|---------------|-----------|-----------|
| 4.—0.27 a.m. | 7.57 a.m. | 3.02 p.m. |
| 11.—8.12 a.m. | 2.45 p.m. | 9.10 p.m. |
| 18.—2.48 p.m. | 8.04 p.m. | 0.36 a.m. |
| 25.—7.54 p.m. | 0.57 a.m. | 6.41 a.m. |

Rising and Setting of the Sun

- | Rises | Equal to | Sets |
|---------------|-------------------|-----------|
| 4.—5.08 a.m. | 4.44 a.m. | 7.06 p.m. |
| 11.—5.09 a.m. | 4.51 min. 11 sec. | 7.03 p.m. |
| 18.—5.09 a.m. | 4.51 min. 59 sec. | 7.03 p.m. |
| 25.—5.14 a.m. | 4.56 min. 21 sec. | 7.00 p.m. |

Aspects of Principal Planets

Mercury being in Superior conjunction with the Sun, is in the 8th, is a morning star in the first week, and an evening star afterwards, but this will not be a favourable opportunity for its naked-eye observation. Rises on 1st at 4.10 a.m.; on 16th it sets at 7.45 p.m.

Venus is a morning star moving in Taurus. In conjunction with the Pleiades on the 4th, with Aldebaran on the 16th. It rises on the 1st at 2.10 a.m.; on the 16th at 2.04 a.m.; on the 31st at 2.07 a.m.

Mars moves now eastward in Libra, and will be seen west of south in the early evening. Magnitude —1.1 to —1.6. Sets on 1st at 1.52 a.m.; on 16th at 0.51 a.m.

Jupiter, being in opposition with the Sun on the 15th, is in the south near midnight, and above the horizon, but low down, almost through the night. Magnitude —2.3. Rises on 1st at 8.00 p.m.; passes the meridian on the 16th at 0.65 a.m. and at 12 o'clock.

Saturn is a morning star moving from the constellation Capricornus into Aquarius. It rises about midnight at the end of the month. Its rings are now pretty well visible, the Earth being 5.57 degrees south of their plane. Rises on 1st at 11.42 p.m.; on 16th at 10.44 p.m.

Uranus, moving in the constellation Aries, rises on 1st at 1.27 a.m. on 16th at 0.30 a.m.; on 31st at 11.28 p.m.

Neptune sets before midnight in the constellation Leo, 1st at 10.53 p.m.; on 16th at 9.55 p.m.

Satellites of Mars

Mars is attended by two moons, discovered by Prof. Asaph Hall in August, 1877, with the great telescope of the Washington Observatory. Their names are Phobos and Deimos (the steeds or attendants of Mars). They are both very small, Phobos being 14 miles in diameter, Phobos being somewhat the larger. Phobos revolves about its pri-

Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS" OF JUNE 30, 1877.

The English deputation to the epicopal jubilee of Pius IX will be upwards of 200 strong, and of a thorough representative character. In America, peers, country gentlemen and professional men, priests, shopkeepers and vicars, farmers and tradesmen, the chief ecclesiastic with it is Dr. Clifford, Bishop of Clifton; Cardinal Manning, whose name has been a source of much uneasiness to the late Pope, has been unable to endure the fatigue of the journey. The lay portion is headed by the Duke of Norfolk, who, I understand, is to present the address. The Holy Father, on this occasion will receive something more than devout congratulations from the faithful. In England a collection was made on a recent Sunday in all the Catholic churches, and the result is said to be over £10,000. The Catholic Union of Great Britain makes special present to the Pontiff £2,000. In America some £50,000 have been raised as a jubilee gift. Altogether, it is calculated, more than £100,000 in Chinese extent of half a million will find its way to Rome before the occasion.

FROM THE "NORTH-CHINA DAILY NEWS" OF JULY 1, 1877

From Newchwang:—On the 6th of the 5th moon, June 16, the new native tax came into force. On the 1st of the 5th moon, which was charged was 3½ mace per Tia. 100. It is now to be 7 mace per Tia. 100 (do. 100 on average). The junk and foreign vessels. Shipments of foreign vessels, which were not taxed before, are now to pay 4 mace (four mace). The troops of which the Taotai says are wanted by the Tartar General, have not arrived yet, and the extra impost is required to pay towards their maintenance. It is possible that more force is necessary to put down brigandage, but I should not be surprised if the near approach of the Russians whose quarters are unpleasantly near to the Empire—some say they are actually in Chinese territory, were the bête noire to be put down, as much as the sword racks or mounted highwaymen.

The Tokyo "Times" reports the arrival at Yokohama of Mr. Cadwallar, former Assistant Secretary of State at Washington. It is stated he is shortly expected in Shanghai.

FROM THE "NORTH-CHINA DAILY NEWS" OF JULY 2, 1877.

From Canton:—The second inundation in the neighbourhood of the city has, I am glad to say, subsided to the extent that the extra impost has been removed. Inconvenience and distress is still being experienced. Some towns are closed altogether owing to this cause, and the mud is so deep that the carrying of goods by robbers who are roaming about seeking what they may devour or rather appropriate, is impossible. A steamer boat capsized in the river in this city, and four of the passengers found a watery grave. The tide is so strong that the bodies have not yet been recovered. There is much grumbling, not only deep but loud, among the traders, because the station officers do not charge the liking tax according to tariff issued by the Superintendent of Customs. But the Chinese are not to be deterred in vain, for tariffs are never long adhered to in this benighted land, where the great business of life with others must be secured, those engaged in trade of the uttermost cash.

FROM THE "NORTH-CHINA DAILY NEWS" OF JULY 3, 1877

Chinese immigration has recently been invited to Sooloo, but according to a correspondent at that place, the great bulk of the natives in the respectable classes or it will not be acceptable. The Spaniards would have no objection to receiving Chinese, but the Chinese of unblemished character and possessed of a little capital, but they do not like to go to Sooloo, a place with roughs and robbers such as flock in thousands in other parts of the world. The imposition of a heavy tax on goods, and the want of security for or guarantee of respectability and good character, some stringent measures should, it is thought, be adopted to prevent a deluge of Celestial rascality, which might plot and combine with the natives in the adjacent isles to upset order and good government. The restrictions contemplated may not, it is true, keep out the Chinese, if they are not, it is a thing to be got by going to Sooloo, having regard to the fact that all the severities and barbarities practised against them in the Philippines have failed to drive them out of those islands, but it must be confessed that a welcome offered them in Sooloo looks like a very cool one indeed. It is evident that in Spanish opinion the masses of the Chinese are people to be legislated against. It is perfectly true that of the Cantonese many require more to be looked after, but if the Government of the Philippines is anxious to promote the settlement and colonization of Sooloo by their aid, it must be too severe and harsh in its treatment of them, or it may fall to attract the desired labour supply.

FROM THE "NORTH-CHINA DAILY NEWS" OF JULY 4, 1877.

To-day being the 101st anniversary of the independence of the United States, the "Dahnam" independently observed in accordance with a time-honoured

many in 7 hours 30 minutes at 5,850 miles distance, and Deimos in 30 hours 18 minutes at a distance of about 14,500 miles, both in the equator. Mars, Mars rotates in its axis in 24 hr. 37 min. 23 sec. Phobos, therefore, occurs at the same place in the solar system of a satellite revolving about its primary in less time than the primary takes to rotate on its axis. It follows that an hypothetical inhabitant of that planet the moon would seem to rise in the west and set in the east, passing through all the phases of our moon during a single night. This rapid angular motion enables it to do so twice a day. Deimos, the outer of the two moons, has an angular movement in its orbit round Mars less than that of Mars on its axis, but so very small that it is not visible above the horizon of a point on the planet for about two and a half days at a time.

custom, be read at the Consulate-General at noon; and there will be a display of fireworks at 9 o'clock p.m. from the lot in front of the Consulate-General, the urn of which has been kindly lent by the Consul-General for Japan. In the absence of any saluting vessel of the U.S. Squadron, no salute will be fired. As it is expected that there will be the usual musical entertainment in the Public Garden, the public will doubtless find special attractions in that direction.

We learn that the cholera which prevails at Amoy is restricted to those who reside in the city and immediate suburbs. As many as 40 to 50 a day fall victims to the fell disorder.

The Loudoun Castle arrived in London at 7 p.m. on the 2nd instant. She left Hankow soon after midnight, on the 23rd May, and has, we believe, made the run home in 38 days 17 hours.

FROM THE "NORTH-CHINA DAILY NEWS" OF JULY 5, 1877.

In the Gazette of June 20, the Director-General of the Yellow River reports having been to inspect the military brigade under his orders, stationed near Tsingchow. The evolution of the soldiery, and their performance in general, spear, shield, archery practice and in turning warlike somersaults was of the most satisfactory description.

The Governor of Kwelchow reports that, on May 12, last, the military stores, situated on a rising ground outside the southern wall of the provincial capital, were struck by lightning; when the powder magazine blew up, destroying upwards of 80 houses, and gunpowder arms to the value of Tia. 100,000, and killing one and wounding six persons. In quaint terms the Governor accounts the disaster as due to his own lack of moral excellence, through which he has failed to induce the operation of the beneficent and kindly powers of Nature, in such wise as to guard against the occurrence of calamity of this description.

FROM THE "NORTH-CHINA DAILY NEWS" OF JULY 6, 1877.

From Ningpo:—Ningpo was visited on Tuesday by a typhoon, accompanied by heavy rain, which did much damage both ashore and afloat. The storm began about 5 a.m. and increased hourly in violence up to 1 p.m., when it was at its height. Several houses were blown down, and the gates of foreign compounds were blown down. Many boats were swamped, and the Chinese (Fochow-built) gunboat, No. 16, and H.M.S. Frolic. Neither of the Shanghai boats left the wharf, which was probably the kinder of the two. The gale moderated about 3 p.m. and later on all the members of the foreign community were to be seen going round viewing the wreck, and following the river bank as far as the cemetery, where the storm caused great damage, blowing down two large portions of the walls.

BICKERTON'S Beach and its vicinity at Tsingtau witnessed very considerable excitement and activity when the Police in co-operation with Customs officers made a seizure of 61 bags of cigarette paper valued at about \$1,500. Apparently the Police had received some information for they were observed searching the vicinity. Two Japanese (or Koreans) were surrounded and arrested, the number later being increased to six by the later capture of four others. When the alarm was given Captain Angus, of the Tsingtau Customs Service, offered his assistance to the Police, and at his request Customs guards and cars came to the scene. He boarded his own ship, which also came round, and Customs motor-boats patrolled the coast. The six prisoners were marched to the Police Station escorted by a heavily armed guard.

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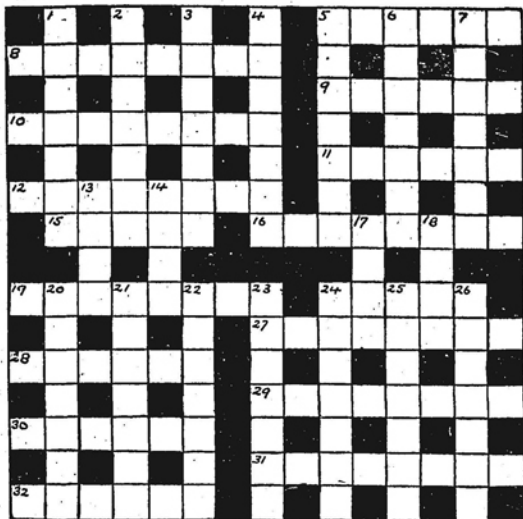
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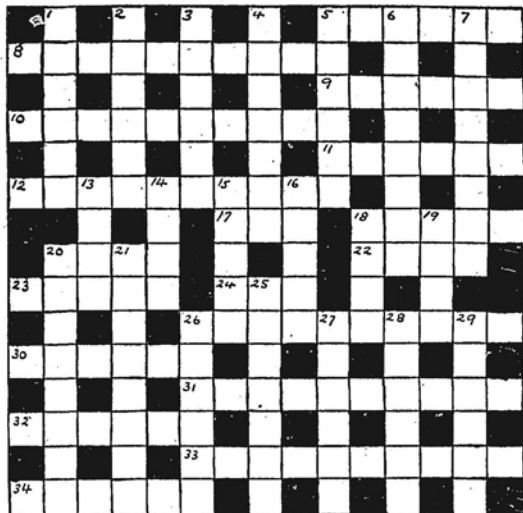


ACROSS

- 5 A misogynist would hardly fall for this large girl
- 8 There's a final place to ban
- 9 Lacking company, but one is present
- 10 Limit with initial remainder
- 11 This motorist, if beheaded, can only go downhill
- 12 Change of free sort for one who has an outdoor occupation
- 15 Timely example of foot by foot progress
- 16 He looks after himself twice curtailed
- 18 The advocacy of a certain letter in front
- 24 French river
- 27 It should take a brawny man to lift this receptacle
- 28 This goes well with tea, they say
- 29 This word contains three of itself
- 30 A cake for various occasions
- 31 After being this a man may have a close shave
- 32 For this one might get a certificate

DOWN

- 1 From outside the upset river is no confinement
- 2 A rapid worker when it's a question of getting things on to the plates
- 3 This drink sounds almost as if it might make the heart grow fonder
- 4 The Colossus was a this with-out the sixth letter of great this
- 5 A stockbroker's pet?
- 6 A flower
- 7 Mediterranean islanders
- 13 This follows the mode to be reasonable
- 14 Fish
- 17 Some rowing coaches swear by this heathen deity
- 18 Bird from Northern Europe
- 20 One line becomes like an animal
- 21 Misusers of this are liable to take the last drop
- 22 Those who think do not act on this
- 23 Spectral
- 24 Pedestrians can be classed as the quick and the dead—the former show this
- 25 Fleeced
- 26 At some previous time seems nobler in a way



ACROSS

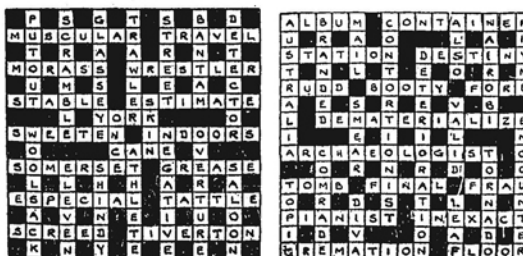
- 5 There's a rag in this no doubt for cleaning the inmates
- 8 Composure is main confusion in justice
- 9 This, of course spoils the act
- 10 Latin auras give rise to a riotous Latin feast
- 11 A letter in one of the cat's tails shows up a lot of people
- 12 Fallen in quality
- 13 May change to another girl
- 14 One of five
- 20 A clean sweep is without this
- 22 British river
- 23 This may call for the company together
- 24 Number one
- 26 A famous soldier is issuing like a spring weight
- 30 Not a valuable coin
- 31 Spotless
- 32 To get one's this dish is to be angry
- 33 This power may be shocking
- 34 Even the attic-dweller considers this beneath him

DOWN

- 1 A geometrical figure
- 2 This King has swallowed a seed
- 3 He can claim he has been in at least one engagement
- 4 An obstruction that aided the miller
- 5 Speed ends spin
- 6 A wordy counter
- 7 Finding the broken end in the glass occasions joy
- 13 This ram is a material
- 14 This may come from 23 across
- 15 A fair ruler who is not fair
- 16 District of Austria
- 18 Seeds growing upwards
- 19 Trim
- 20 Wherein the illigant might carry his documents possibly
- 21 Part of the salad dressing, perhaps
- 23 Not a blinding light
- 28 His work may have novel results
- 27 Urge
- 28 French
- 29 He is beyond the pale

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES



In Parenthesis

Well-Known Face

"HAVEN'T I seen your face before?" asked one man of another. "Perhaps," was the disconcerting reply. "I was a warder at the gaol for 23 years."

Little Helper

Mr. Jones was planting potatoes, and little Joan was following him round. "Here you are, daddy," she exclaimed when he had finished. "I've picked up all those potatoes you kept dropping."

Authentic

He had taken a postal course in chemistry, and having a sore throat decided to cure himself. With pride he handed the chemist his first attempt at a prescription. The chemist read it twice doubtfully. "Well," he said at last, "is it a very big dog?"

Just Too Bad

A FRIEND and benefactor in Baltimore, left a will bequeathing the interest on \$10,000 to Joseph D. Blumenfeld for life — provided Blumenfeld takes the benefactor's brother and sisters motoring whenever they wish to go. Blumenfeld is a prisoner in the Maryland penitentiary.

Golf

PLAYING against a clergyman was a keen golfer, whose language was not always correct when things went wrong. "I think, sir," remonstrated the cleric, "if you have no respect for yourself, you might at least show respect for the cloth." "Dash it," replied the other. "We're playing golf—not billiards."

The Absent Friend

At a public dinner a man who was a long way down the table would insist on proposing a toast, and though he was not on the toast list, the chairman allowed him to proceed.

"My toast is that of 'Our Absent Friends,'" he said, "coupled with the name of the waiter who has not been near this end of the table all the evening."

Hey! That Man's In Again!

"To hate to part with this colt now. You see, I haven't any children and—"

"How can you compare a colt with children! Children can go to college, carve out careers for themselves, but a colt—a horse could never become President."

"No, not a President. But a friend of mine had a colt once that grew up to be a mare."

Puzzled

It was the custom in the village for the well-to-do inhabitants to make good any loss the village might sustain through the death of any live-stock.

A retired millionaire, recently settled in the village, was ignorant of this practice, and was considerably puzzled by the visit of a labourer's wife, who explained that she had lost a pig.

"Well, I haven't got it," said the bewildered millionaire.

"What I mean, sir, of course, is that the pig died," explained the woman.

"Well, what do you want me to do?" asked the new arrival. "Send a wreath?"

Silence in Court

A JUDGE has been quoted again on the extremely confusing wording of financial Acts or Parliament and, particularly, of Income Tax legislation. The precise intention of the legislature (he said) is very often obscured.

My old friend Mr. Justice Sweetapple was of the same mind. "I have come across some very burmy things," he said, during the hearing of Commissioners of Taxes v. Cork. "but this section of the Act, to which my attention has been drawn repeatedly, strikes me as being easily the barniest—barnissimus barniorum."

He paused here to take a swig of barley-water, and, on putting down the bottle, remarked, with a roughish glance at Mr. Cork, the defendant, "Corked!" (Laughter.)

When the laughter had subsided, he continued—"Indeed, to use a metaphor of the kitchen, the meat of the matter is buried deep in the verbal suit of an impenetrable Parliamentary pudding."

"That suits me," interjected learned counsel for the Commissioners. "Eh?" said his lordship.

"I said, my lord, that suits me," "Gorbimey!" said his lordship faintly. "Adjourned until to-morrow. Take me home, someone."

They tipped back his chair gently, and carried him out. He never joked again.

A COUNTRY DIARY

June 27.—I have been paying almost daily visits to a little wood near the Hungjiao Road and there have there seen two incidents relative to the Indian Cuckoo which are worth recording. The first was about six weeks ago when one of these birds came flying fast and low out of the wood holly pursued by a Bulbul. I judged the Cuckoo to be a female. There was a male calling noisily in the neighbourhood... and she seemed to be carrying something in her bill: the Bulbul struck at her in the air and she flew down to the ground, a thing these birds seldom do: the Bulbul followed up its attack, striking two or three times at the bird on the ground, and when I walked over to get a closer view the Cuckoo flew up and disappeared over a creek while the Bulbul returned towards the wood. During the whole incident the Cuckoo remained silent while its aggressor screamed with anger in a most unusual manner. I naturally thought this must be a case of a cuckoo stealing an egg prior to laying one in its place, but a prolonged search did not give me any further evidence to that effect. Yesterday, just outside the same wood, I was surprised to see a fairly large bird squatting on a path and looking very much like a Nightjar at rest: on my approach it flew, a few feet from the ground, until it came to rest among some cabbages, at which it occasionally pecked as if it were gathering caterpillars... but most of the time it remained in a squatting position as if it had not the strength to stand up or fly: often it turned its head as if listening to the call of an Indian Cuckoo... and on closer examination it turned out to be a young cuckoo, with greyish head and roughly barred underparts. I waited half an hour to see if any foster-parents came to feed it, but in vain, and it finally flew away quite strongly. Now I am wondering—was this second incident connected with the first—and had the original Indian Cuckoo victimized a Bulbul? I wish I knew for certain.

July 1.—I am not so good at finding birds' nests as I was some years ago... hence my adventures of this morning. Began by playing my old game of "hunt the thimble" with a Fan-tail Warbler: the rules of the game are that the little bird sounds his tiny bell (or so it seems) louder as you more nearly approach his nest... and if you are lucky you may strike his cup-like little home among the grasses; but usually he breaks the rules by diving off at 50 M.P.H. in the wrong direction and finally leaves you "creeked": the odds are ten to one on the bird and he ran true to form this morning—winning (literally) in the soup... if that is what swamps are made of. So I wandered on looking for new adventure and soon found it. A Bush Warbler lured me among some reeds by giving some very unusual variations of his usual call of "Oh-Oh-Oh-Richard" until I scented that he was singing near his nest: I followed up the clue through high reeds and bushes until I knew I must be right... and could almost see the little red eggs in his nest... I could hear the low

glug-glug-glug call of the male on the nest, when the earth suddenly opened and I fell down into something like an elephant-pit with nice juicy mud at the bottom: as I scrambled out (slightly soiled, and more frightened than hurt) a countryman came up and asked what I was doing: I tried to explain in bad Chinese that I was looking for a bird—but he was obviously convinced I was trying to commit *felo de se*—and to hide the body at the same time—so I made my excuses and departed. Determined to redeem my reputation I revisited a spot where I had heard Kingfishers squeaking in an excited manner which had aroused my suspicions at an earlier hour: there they were, diving at the steep bank of a pond, turn by turn, throwing out the mud and excavating a new tunnel for their second nest of the season. So now I have a new nest to watch... and I feel there is life in the old dog yet!

July 3.—Went to a cocktail party the other day and, returning home, sat out in the garden for that wonderful fifteen minutes when darkness enshrouds the land as the birds come flying in and the bats go flapping out. Suddenly a high official of the Health Department stood before me and spoke as follows:—"You wrote in your diary some days ago about oil-sprayed creeks and the terrible effect on animal life; and about Waterhens which cannot live under such circumstances: you also mentioned that such work was done by the P.W.D. Pahl what ignorance! Don't you know that work is the only thing the Public Works Department never does? And that if such toll must be undertaken it is done by my department, which is that of health?" I nodded. "But you have got the whole thing wrong," he went on, "when you suggest that oil is bad for mosquitoes: let me assure you that what we want to do is find out if the Anopheles in certain districts are carrying malaria germs, so what we are working for is 'bigger and better mosquitoes'... can't you see that?" I nodded again. "Why?" he continued indignantly, "it is a common sight to see mother mosquitoes flying across country with flocks of their young in search of oil-sprayed creeks... they lap it up like mother's milk and find it full of vitamins from A to E—both healthy and nutritious." Becoming the perfect yes-man, I was just about to nod again when I woke with a jerk and found myself alone, being bitten by Anopheles with proboscides like Woodcocks' bills—a painful process which made me feel in sympathy with the works of Dr. Jordan. Anyhow, why should I worry about it? Those Waterhens have already gone and I am sailing for the North to-day. Besides which, if any mosquito pumps malaria into me the joke is on him, because I've already had it for years.

The sale of the book "My Struggle," written by Adolf Hitler in 1923/24 and published in 1926, has now reached 3,000,000 copies, states Trans-Ocean. If all volumes sold of the German edition were piled on top of each other, they would reach the height of 115,000 metres or 300 times as much as the Eiffel Tower.

DRINK

AGE—QUALITY—ECONOMY

IN

PETER DAWSON WHISKY

Agents

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Established 1892

THE BOOK PAGE

CANOVA'S VENUS

PAULINE BONAPARTE, Napoleon's Attendant Star—By Joachim Kuhn. Translated by W. H. Johnson, W. H. 9 Illustrations. Hutchinson, London, 18/-.

Marie Pauline Bonaparte, the favourite sister of Napoleon I, was born at Ajaccio in 1780. At the age of 17 she married General Leclerc, who is best known to English historians as the general to whom Napoleon entrusted the command of the Army of Invasion of England. He died in the West Indies of yellow fever five years after his marriage to his young wife. She consoled herself a year later by marrying an Italian prince, Camillo Borghese, but after a brief residence with him at Rome she returned to her brother's court in Paris. She was given the title of Duchess of Gunstailla, removed from the court in 1810 owing to her unislerly reception of Napoleon's second consort, Marie Louise, and in 1814 she repaired to Elba. Her affection for Napoleon led her to express a desire to share his exile in St. Helena, but she did not have that wish fulfilled, and on his death in 1821 her already frail health broke down completely. She became reconciled to her husband and died in 1825 of cancer. The only member of her family present at her death was Jerome Bonaparte, who was destined to become Marshal of France and President of the Senate, after having been for a short time King of Westphalia (1807-13). Jerome, incidentally, was one of the less successful French generals at Waterloo. He commanded a division on the left wing and made a very impressive attack on Hougoumont.

Those are the bare details of the beautiful lady whose vicious temperament, daring amours and great personal charm form the subject of these memoirs. The author has displayed considerable industry, as the six pages of bibliography clearly show, and he has been able to obtain access to sources which he states have escaped the attention of previous biographers of the fair Pauline. The translation of his book has been competently done and throws a vivid light on the manners and madneses of an age when Europe was in turmoil and in spite of the wrecking of the former aristocracy the new rulers and their courtiers managed to give a colourable imitation of the very follies which the Revolution had been supposed to disperse once and for all. The author does not hesitate to mention even the most scandalous charges made against Pauline, but he is firmly disposed to refute them. Light of love she was, but he is prepared to endorse the graver charges brought by previous biographers and he gives chapter and verse for the distinction. He attributes a good deal of the more unpleasant scandals to the bitter tongue of the Empress Josephine, whose hostility to her husband's sister was well known, hostility which seems to have been returned with interest—in fact, Pauline never forgave the position of inferiority which she felt when as a young debutante she was so completely outshone by the gorgeous beauty and magnificence of Josephine in her heyday.

Dutiful Resignation

There was even a stronger reason. Pauline, as her brother called her, fell madly in love with Stanislas Fréron, a ne'er-do-well journalist who had been the comrade of Camille Desmoulins. Fréron's radicalism, which made him a member of the Terror, did not prevent him from indulging his taste for social magnificence. His extravagant habits, his delight in fine clothes, added to a by no means unpleasing personality, completely won the impressionable Pauline and passionate letters passed between them. Fréron's financial and political difficulties, however, made it quite impossible for marriage to be regarded with favour by Napoleon, although, according to a letter in which Pauline endeavoured to refute the charges made against her lover, the union had been agreed to by the Emperor. She recognized, however, the necessity for following her brother's orders, and her letter of resignation, when she learnt that Napoleon's consent had been rescinded, is confidently emphatic:

...If you, my dear Napoleon, for whom I always have felt the tenderest affection, could see the tears which your letter has cost me you would surely be touched. You, in whom I saw the instrument of my felicity, wish to compel me to relinquish the one man whom I can love. Though I am young my heart is firm. I feel that I cannot surrender Fréron, since I have promised to love him only. I shall have felt the loss. No living person can prevent me from reserving my heart to him, from receiving his letters, from replying to him and ever repeating that I love him only. I know my duty too well to allow a distance to arise between you and me, but I shall know that I cannot change with changing circumstances. Farewell!

this was all I had to say. Be happy, and amid your victories, and happiness remember the life of bitterness and pain in which are passed the day of F.B.

In a few months' time Fréron was forgotten and the betrothal to the socially more suitable Leclerc followed. As the book is so much concerned with Pauline's love affairs, the author takes care at an early stage to assess her amorous disposition:

...she had been born to love; but not in the sentimental sense of the ladies of the eighteenth century. For her, love was primarily a self-affirmation, the crowning triumph of her beauty, which she could reject only when hot lips and burning eyes bore witness to the supremacy of her audacity over and above this it was the sovereign means of satisfying her craving after glory and power. Love and her eyes were its focus; never was it extended to others, if she could charm despite this disposition, if none could resist her, she was the centre of homage, the secret was her own, resting on her tempestuous and her eyes, and that ingenious which saw in the whole of contemporary history nothing more than the glittering background of her own apotheosis.

The Superior Sister-in-Law

But she never forgave the part played by Josephine in breaking off the match with Fréron, although the major cause of bitterness lay in another direction:

...Josephine was a great lady, had been on intimate terms with Barras, had added brightness to his salons together with the Tallien, and possessed the polished manners of the ancient régime which were Pauline's delight. Compared with Josephine she was nothing—an untutored little provincial beauty without great friends or experience, whose modest toilettes were completely put in the shade by Josephine, whose every action, every word, every smile, every act were so many insults to Pauline. Yet the admiring glances of the officers in Josephine's train were proof that she was not a simpleton. Young, youthful, more lovely and more desirable than the sister-in-law who seemed to her to have been her mentor. She forthwith erected a barrier between herself and Josephine—a barrier which remained to the end.

To marry this glowing creature to a poseur, who at one time imagined that he was a second Bonaparte, seemed to her asking for trouble, to use a popular phrase. But at least it can be said for Pauline that although she treated her matrimonial obligations with considerable lightness, she managed successfully to retain the devotion and admiration of her husband, although, when he eventually could hardly ignore the scandals of Government House, where he ruled as the Emperor's representative in the West Indies, he was by that time so broken in health that he could do little more than lie in bed and it only fair to add that in his last illness his wife showered on him the utmost attention and was genuinely distressed at his death.

"If I Had Those Ears—"

Although Pauline was outshone by her sister-in-law at her early entry into Parisian society, she soon managed to establish her right to general admiration, and in the days when she was a young bride in Paris she evoked much envy by her public appearances. Here she is at a dance given by one of Napoleon's friends:

...For this function she had devised a costume which, as she said, was to make her immortal. It consisted of antique raiment of white Indian muslin, decorated at the edges with gold and silver embroidery. A girdle of gold held it under the breast, and the girdle was held together by a cameo. Cameos also held the short sleeves adorned the golden bracelets on her wrists. As headpiece she wore a diadem of painted skin, between which golden grapes pressed forward. "No words can convey the charm of her appearance," Leclerc reported decades later. "The room grew brighter as she entered. There was such a harmony between the different elements of her dress, the ensemble that her appearance was greeted with a murmur of admiration from all eyes. To enjoy her triumph to the full Pauline withdrew to the boudoir of Madame Permon, where she reclined on a wide divan which, brilliantly illuminated, did justice to this apparition."

This triumph was not to the taste of Madame de Contades, a beauty of the old régime, who with true feminine spite cast one glance at the new beauty and then, with every care that her words should be heard, remarked, "If I had ears like hers I would have them removed." The young bride was not sufficiently schooled in the art of social warfare and the barb was so piercing that she wept, declared herself indisposed and withdrew before midnight. But sleep sharpened her faculties and in receiving her hostess of the night before she expressed her surprise that the gentlemen should pay attention to such a hop-pole as Madame de Contades when other ladies who visited them were a thousand times prettier.

As an example she cited Madame Chauvelin, who in reality had a snub nose, eyes blinking with myopia, and an exceedingly unswanlike neck. So

Madame de Contades soon received the appropriate rebuke.

Love and St. Helena

Apart from her amazing love affairs, Pauline's chief interest in life was the success and welfare of her beloved brother, Napoleon. For him she sacrificed more than she did for any other man, and she made desperate attempts to persuade the English authorities to allow her to share his exile. Characteristically, her anger with the English did not prevent her from giving her favours to English lovers who attracted her attention. When on one occasion a poet rebuked her for forgetting her brother's exile in St. Helena, she retorted:

"Forgotten St. Helena? Have I forgotten St. Helena? But have you not seen that I am a kind of Mars? I am there, this Marquis of Douglas, whom I kept standing a whole hour this morning, and I helped me to dress, handing my woman pins and playing the rôle of Court Jester while he was looking at me. I am not a fool, though he posed as my lover! And in the evening when he serves me as footstool, do you not believe that I reflect them with a kind of joy on the fact that I have one of the first Grand Seigneurs of Great Britain, one of the greatest peers of England, beneath my feet. And yet she who is treating him thus is the sister of the Emperor, the prisoner whom they are murdering."

The essential truth in all this trade is that, in flattery with the English, she did not in any way affect the fidelity with which she stood by Napoleon; on the contrary, it helped her to interest her admirers in Napoleon, to make them realize better the terrible fate to which the Emperor was exposed, and to use their parliamentary and Ministerial connections to bring about alleviations in the Emperor's state and to obtain news of him direct.

And Napoleon himself never endorsed the criticisms of his sister, because when he learnt of the way in which she was idolized by the English in Rome, he remarked, "I have now some enemies the fewer."

With the exception of those who, which after Madame de Contades, she consistently took care to hide by the arrangement of her hair, Pauline was undoubtedly one of the most beautiful women of her age, and the famous sculpture by Canova, the great Italian artist, remains in testimony to that fact.—E.H.

INTENTIONS AND RESULTS

BRITAIN FACES GERMANY—By A. L. Kennedy. Cape, London, 5/-.

This is an incredibly small compass is one of the ablest expositions of post-war European diplomacy yet written. Mr. Kennedy indicts as well as praises in expounding what he applies terms as the good intentions and bad diplomacy of the British Governments in dealing with Germany. The imposed peace, its incompatibility with the Wilsonian Fourteen Points, the fatal defect of Locarno—as much due to German as to Franco-British error—the failure to recognize the significance of the rise of the Nazi Party, the hesitancy in grasping the realities of Herr Hitler's proposals of 1934, are dispassionately discussed. "Sir John Simon's missed opportunities" are clearly exposed, but although Mr. Kennedy is inclined to endorse the general disaffection with Sir John's administration of the Foreign Office, he does not impute all the blame to that statesman who, in one vital matter, was merely perpetuating the errors of his predecessors:

It has been the tradition of British methods in general and of Conservative statesmanship in particular, to work from the practical to the ideal, rather than from the ideal to the practical. Mr. Macdonald, Sir John Simon and Mr. Henderson departed from that sound principle and tried to produce a perfect scheme to fit all nations from the start.

They had public opinion behind them, but the method was fatal; the "organization of aspirations" passed for statesmanship.

Still the evidence of Sir John Simon's temperamental unsuitability for the Foreign Office is relentlessly marshalled. Nor had that statesman, the requisite general knowledge of foreign affairs:

With him the intangible did not count; and half a diplomatist's work is concerned with tendencies and prejudices. Here cool, calculating brain was logical instrument of the finest calibre; but he lacked understanding of the differing foreign mentalities, or of the various shades of his own, and actions would produce upon them.

And thus Mr. Kennedy proceeds by a brilliant analytical appraisal of which Mr. Harold Nicolson might be proud to be the author, to show the disastrous consequences of attempting to put that brilliant round peg into a square hole at a most critical period of British diplomatic history.

The Only Alternative

The situation has deteriorated. Great Britain faces a suspicious Germany who, in new found strength, is not disposed to be what her opponents would call "reasonable." Germany is by no means blameless. The propaganda which has made her people believe in the "guilt" and "colonial lie" bludgeoned the Versailles Treaty has done immeasurable harm;

It cannot be corrected by the plain unassailable assertion that the clause which headed the reparations Chapter in an apparent attempt to provide legal justification for the pecuniary demands made upon the Reich referred to the "responsibility of Germany and her allies" and therefore is distorted when it is presented as referring "to the sole responsibility of Germany" and as implying an accusation of moral turpitude. Similarly the Treaty contains no reference to what Germans call the "colonial lie." A passage in a letter from Clemenceau to the German Foreign Minister is taken from its context to support the German contention on that count. These points are mentioned to enforce Mr. Kennedy's view that Great Britain has to deal with facts as they are—with intense German resentment regardless of its origins.

The remedy as he sees it may not be effective but it is the only alternative to a clash which he regards as fatal. Great Britain, without surrendering any of her principles of collective security, should endeavour to come to a direct understanding with Germany, for such a separate settlement, if rightly used, could strengthen the framework of peace rather than damage the already shattered fabric of the Covenant. On the colonial issue he takes a broad view. He would urge the offer of colonial territory—a positive proposal which would bring public opinion behind the Government. He is by no means sure of the outcome. The "atmosphere of expected calamity" is too discernible and "men's will to fight is being deliberately stimulated." This is a fine, thoughtful book; one that might well exercise a beneficial influence over statesmanship for humanity's good; for its great merit is that it is practical, fair and clear.—E.H.

ONE MAN IN MALTA

MEMORABLE MEMOIRS—By Major S. E. G. Ponder. With 22 illustrations and a Map. Stanley Paul, London, 12/6.

This is a very readable account of the life and society of Malta as seen through the humorous eyes and set down by the agile pen of an English army officer during the recent tension between Britain and Italy. It is light reading which never pretends to be anything more; a series of impressions without any particular depth and with no attempt whatever at "fine writing." In fact, it is typical of the average conversation on current affairs which the average man has with his fellows in any club or hotel or casual meeting place. That being clearly understood, it is also only fair to state that the book is definitely good of its kind. The author has a simple and racy style, and if he is not strikingly original, he makes up for it to a large extent as he tells a soldier's life directly and candidly. He never expresses his never tangled in his remarks or unnecessarily discursive. He tells his opinions without waste of time and straight to the point. The publisher's remark on the dust-cover that the whole story is packed with interest is literally true.

Major Ponder first gives his readers a lively picture of army life in camp on Salisbury Plain a couple of years ago. Though amusing, it is not overdrawn and rings true in every particular. Then he details the exchange system by which he sailed for Malta, in consideration of a cash inducement from a brother officer for whom at that time "Orders Abroad" would have been particularly inconvenient. And then he takes us on board his troopship, past the Bay and the foggy coasts of Portugal, and we settle down with him in Malta as interested visitors with a twinkle in our eyes.

"The Valetta Mind"

There is a certain amount of interesting historical matter in the early chapters, including a graphic reconstruction of the arrival in Malta of St. Paul, as his ship ran on the rocks, and from there we glide easily to the present day conventions of members of the Services, their wives and friends, in any British outpost or garrison town. Almost all this part of the book is so apt and so expressive of what a large section of the community consider to be "the Shanghai Mind" and local conditions in this city that it is worth reading "Mediterranean Memories" for this alone.

Major Ponder says:

It is a good thing to remember, whether you are in the Service or not, that when living in a Service Station, and in Malta particularly, the price you must be prepared to pay for being any way unconventional is a high one.

This theme he enlarges on as we go with him down "Sno's Alley" (where the admirals and other social luminaries live) and past the charmed portals of the Snake Pit—which is the everyday name of the women's side of the Valetta Club. Here, he tells us, with a showman's wave of the hand, is where

...your seemingly most trivial actions in public, which at home

would be passed over unnoticed, are commented upon, exaggerated, and passed on, until the distortion becomes ridiculous.

At the Club Bar

Nor do the men escape equal condemnation for spiteful gossip. The author says that:

...In Malta, many times, in bars, messes, and Clubs, I have heard one man say to another, "I have known to be grossly unfair concerning a third man, and the reason that lay behind was just a desire to be unpleasant."

About himself he adds:

...No sooner did it become known, which was instantly, that I had taken a house and was living on my own, instead of staying in the mess in the bachelor quarters, than tongues began to wag. What was said I never learned, but I know my action was regarded as a high one, and I should not have been at all surprised to have learned that I was holding unseemly orgies, so unbecomingly as to be only hinted at.

In another chapter, a Saturday night dance at the "Slema Club" is described in entertaining detail, and later, greatly daring, we accompany the gallant Major on a moonlight bathing picnic in mixed and somewhat amorous company.

So such for social Malta, with which it can be imagined Major Ponder must have waged single-handed a very pretty little guerrilla war.

Something More Worthy

One of the best chapters in the book is a study of the Knights of Malta and their doings. Here the author has something more worthy of him than the social chit-chat, and a very spirited account it is. He tells of the siege of St. Elmo in 1553, which, he says

...turned out to be the most gallant defence against overwhelming odds which is recorded in history. The fort was exposed to the full force of the Turkish army for four days. Its defence was hopeless from the start, and the defenders knew it.

Finally, there is a chapter on the "Maltese in Outline", and a highly diverting history of the author's return to England, via Tunis and a small and odoriferous French cargo boat.

From the spirited to the satirical, and from the semi-serious to the frankly ridiculous, this is an entertaining miscellany. There is something in it for everyone's taste, and the unpretentious simplicity of the style is not least among its merits. —J.L.

NEW FICTION

"Green Heritage" by Jane Rees Wogan (Hutchinson, London, 7/6) is a study of the emotional crises induced in all concerned by the impact of a young and very innocent English girl upon the sophisticated and more than liberal society of West Indian planters. Coming out from home as a bride, Claire refuses after all to sleep with a husband whose blood she now perceives to be tainted; she promptly shoots herself, and the rest of the book is occupied with her contacts with other men, always complicated by her pre-occupation with colour. The story ends, as it began, with a tragedy which we do not greatly regret.—R.P.D.

Judy Vaughan committed the unforgettable sin, when, in order to escape the dreariness of life in London with her maiden aunt, she married a man with whom she was not in love and returned with him to Africa. Both paid heavily for this error. In "Dead Venom" by F.A.M. Webster (Hutchinson, London, 7/6) is a vivid story of the adventures and eventual triumphant happiness of an English girl who retained her native sweetness through thick and thin. Keeping her head at a difficult moment, she was able to outwit, single-handed, a native witch doctor, and the timely murder of her drunken husband and the rescue from fever of her lover bring the book to an exciting and happy conclusion.—R.P.D.

A pleasant story of life in a really believable village is contained in Noel Forester's "The Man Who Looked on" (Hodder & Stoughton, London, 7/6) told alternately, chapter by chapter, by Alistair and Lois Cameron, parents of a growing-up son and daughter. Into the peaceful atmosphere of women's institutes and jumble sales a bomb drops when the owners of the manor house lose their money, let their house to a well-known judge, and the news leaks out that his entirely male domestic staff consists of men to whom juries have given the benefit of the doubt—at least five murderers among them. It is the charm of the youngest murderer that upsets the peace of the Cameron family, and so with passionate youthful love, worried parents and most puzzling burglaries the mystery of Sir Gilbert Cavan and his retinue works up to its surprising climax. But quite apart from an interesting mystery, the book is delightful because of the complete naturalness of the characters and the real country air.—R.P.

Along the Chengtu-Sian Highway

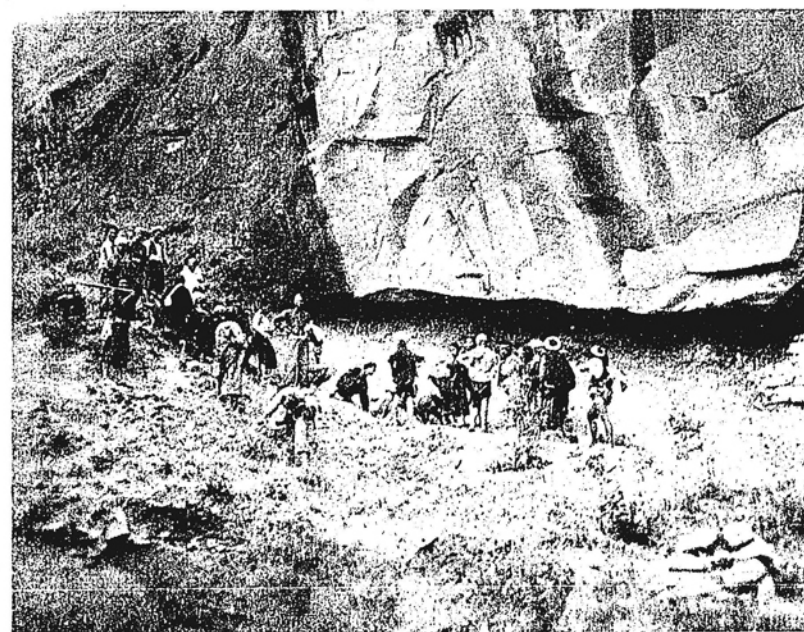
Photographs by W. Lewisohn



Loess dwellings encountered on the Chengtu-Sian highway.



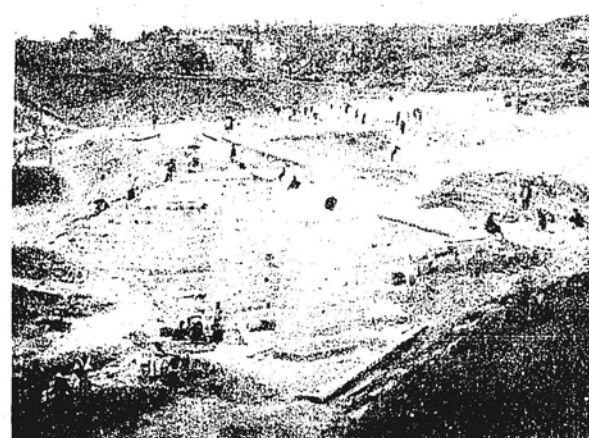
The "Cliff of a Thousand Buddhas," near Kuangyuan. The face of the rock is carved with hundreds of small figures.



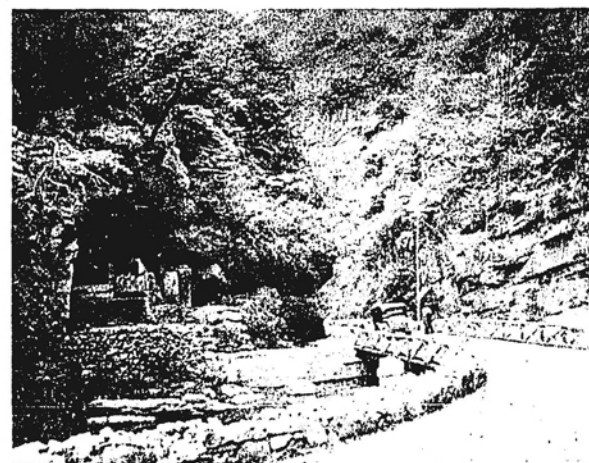
A sacrificial ceremony in honour of the Rain God, during which a dog is killed and its blood splashed over the face of the rock surrounding the shrine.



View from the Feng Ling Kuan Pass on the Szechuan-Shensi border.



Most of the bridges are down on the Szechuan portion of the Chengtu-Sian highway and workmen are busily engaged in erecting new ones.



A picturesque section of the highway between Hanchung and Paohi.

The Middle of the Night

VIGNETTES OF LIFE

By J. NORMAN LYND



NEIGHBOR, DID YOU EVER
LIVE UNDER A COUPLE
OF TAP DANCERS
-THAT PUT ALL
THEY HAD INTO
THEIR WORK?



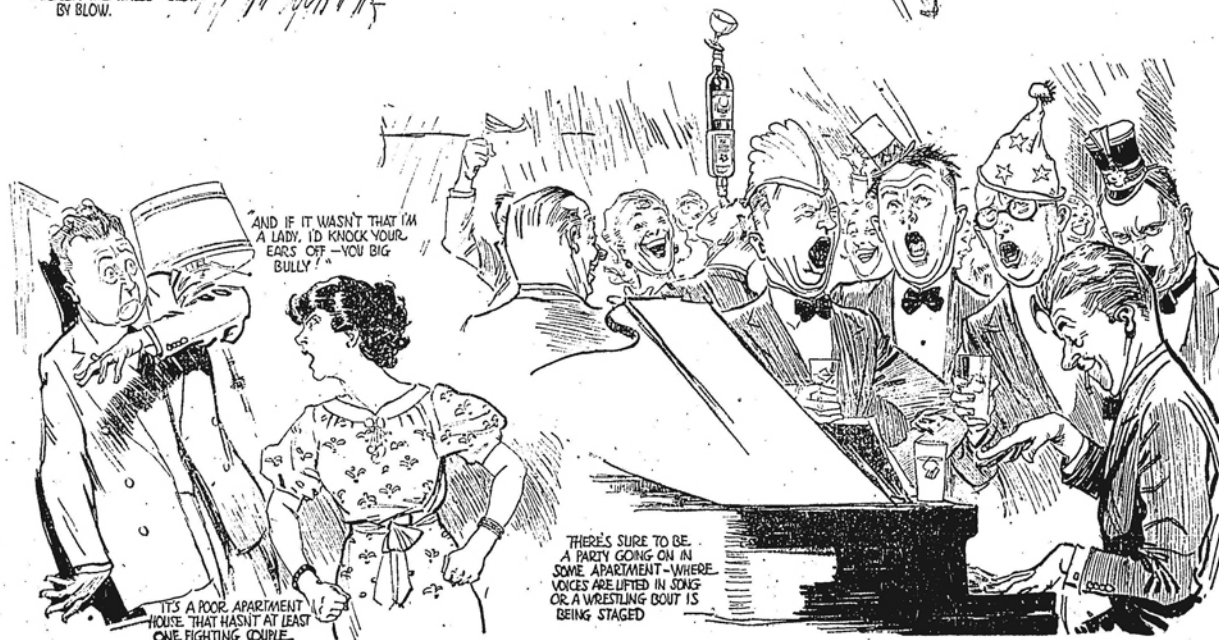
THE TENANT ABOVE
WHO HAS
INSOMNIA-OR,
SOMETHING ON
HIS MIND AND
DOES ABOUT
TEN MILES
WHILE HE THINKS
IT OUT.



AND IF THERE'S A PRIZE FIGHT
GOING ON YOU GET THE DETAILS
THROUGH THE WALLS - BLOW
BY BLOW.

"THE ONLY THING
MISSING IS
A BULL FIGHT."

THERE'S NO NEED TO
BE ALARMED IF A
KNIFE THROWER
PRACTICES IN THE
NEXT APARTMENT...
THE KNIVES SELDOM COME
THROUGH THE WALL.



AND IF IT WASN'T THAT I'M
A LADY, I'D KNOCK YOUR
EARS OFF - YOU BIG
BULLY!

IT'S A POOR APARTMENT
HOUSE THAT HASN'T AT LEAST
ONE FIGHTING COUPLE.

THERE'S SURE TO BE
A PARTY GOING ON IN
SOME APARTMENT-WHERE
VOICES ARE LIFTED IN SONG
OR A WRESTLING BOUT IS
BEING STAGED

THE WOMAN'S PAGE



Shanghai, July 3. Shanghai is a gay but strange place these days. Hotels and clubs are crowded nightly, but not with the same old familiar faces. The town is filled with tourists. They're the ones who are dashing about, seeing and being seen. The few residents who remain at home are, for the most part, confining their activities to tennis, swimming, and a long cool drink afterward on the club verandah. There are some, however, who are busy showing visitors the sights.

Shanghai is having its final thing over this week-end. Activities were ushered in last night with the gala anniversary dinner at the Country Club. To-night there are three big affairs—the annual Fourth of July Celebration at the Columbia Country Club which will claim the attention of most of the Americans, the dance at the Shanghai Yacht Club at Minghong, and the party at the International Recreation Club's Kiangwan quarters.

The Glorious Fourth

This is a jolly and busy week-end for the Americans amongst us. As Fourth of July comes on Sunday celebrations begin to-day and last well into Monday.

At 3 p.m. to-day the annual ball game for the Cunningham Cup between the Fourth Marines and the Shanghai Amateurs will be held and this will claim the attention of several hundred people, men and women, young and old.

The annual display of fireworks on the grounds of the Columbia Country Club is listed for to-night at 9 o'clock. After this the Columbia Club will hold the annual Fourth of July ball with buffet supper for members and guests. Nearly 500 people are expected to attend this affair.

Official flag raising ceremony and regimental parades will get Americans up early on Monday. 5.00 is the hour and the Race Course the place. The Fourth Marines are in



JUNE BRIDE
Bann's
She's Mrs. Vance Marce of Los Angeles, California, now but before her marriage on June 19 she was Miss Ann Branch. Her parents are Dr. and Mrs. J. R. B. Branch of Shanghai.

charge. Chinese and diplomatic officials will be guests at a reception which Mr. C. E. Gauss, the American Consul-General will give at the Columbia Country Club between 11.30 a.m. and 12.30 p.m. Then comes the annual open house at the American Club for men only and later in the afternoon the annual Polo Game between the two American teams, the Troopers and the Cowboys, competing for the British Fourth of July Cup.

A large number of sailing enthusiasts left on Thursday for Minghong and are staying on for to-night's party and the races to-morrow.

At The Yacht Club

The occasion is the Coronation Regatta. There will be joyous games and laughter this afternoon and more serious racing to-morrow. The dance to-night will be the high spot of the entire week-end.

Commodore H. M. Mann will have a large-party and Mr. "Jack" Hunter, the chairman of the social com-

mittee will have more than 20 people in his party. A special table is being held for the skippers who left on Wednesday night on a cruise to the Saddle Islands. They are Mr. E. M. Allison in "Nidaro", Mr. Gordon Dewar in Sir Victor Sassoon's "Eve" and Mr. Rodney Locke in "Jennifer".

Great things have been going on at Minghong the past few days. A special out-of-doors dance floor has been erected, lights have been strung up-and-according to present plans all the yachts will be illuminated. Mr. G. G. Forrester is in charge of all this decoration.

A few of the Shanghai Yacht Club members who have arranged parties are Mr. J. E. L. Hunter, Mr. Hugh Maitland, Mr. W. B. Hughes, Mr. H. B. Lobb, Mr. J. A. Gardner, Mr. H. B. Scott, Mr. J. Macgregor, Col. F. W. R. Graham, Mr. E. Sternford, Mr. H. W. Carter, Mr. J. Neil, Dr. J. H. Blacklock, Mr. O. D. Terrell, Mr. J. E. Eadeley, Mr. N. J. Stabb, Mr. J. Dalton, Mr. J. H. Ford, Mr. P. N. Rogers, Mr. C. E. Howard-Vyse, Mr. C. V. Bird, Mr. L. S. Hong, Mr. G. S. McGill, Mr. K. F. Piper, Wing-Commander H. S. Kerby.

Two Days at Kiangwan

Week-end festivities at Kiangwan began last night, when members of the International Recreation Club and their guests gathered there for cocktails, cold buffet, dancing and swimming. More will go out this afternoon for swimming, tennis and racing and stay on for dinner, dancing and casino. One of the many parties will be given by Mr. "Bobby" Wade who is alohaing some friends.

Informality Is Keenote

Informality is the keynote of summer entertaining and during the past week ladies tiffins, teas and one or two small dinners, marked the social calendar.

Mrs. W. H. Gardiner gave a ladies tiffin, complimenting three friends who are soon to leave on summer holidays. Honorees included Mrs. Vernon Thompson, Mrs. John Young and Mrs. Charles S. Vaughan.

Mr. Ake, Hartmann gave two "little" dinners. On Tuesday he entertained for Mrs. Hendrik Bos who was here for a few days, and on Wednesday he entertained for Dr. and Mrs. R. D. Jameson of Peiping who are here on a visit.

Mrs. Bos left on Thursday with Mr. Bos for a holiday in Tsingtao. They have been in Nanking for the past year where Mr. Bos has represented the Netherlands Legation, but in August they will come to Shanghai for at least a year.

The Jamesons have been the inspiration for several parties. On Thursday evening Mr. Dick Smith entertained to cocktails for them.

"Little" Dinners

Another little dinner was given by Mr. Bawn Ping-li who entertained at his home on Tuesday night, later taking his guests, who included Miss Mary Garrison, Miss Mickey-Hahn, Miss Marjorie Tam, Mr. Peter Strickland and Mr. Dick Smith, to the Park Hotel to dance.

Also at the Park that night was Mr. R. A. Kreulen and a party of friends. Mr. Kreulen and Mr. Stewart Dunlap who is visiting here from Philadelphia, left the next day for Hongkong. They are expected back this week-end sometime.

With The Ladies

Mrs. L. N. Johnson was another tiffin hostess of the week. Her guests on Thursday included Mrs. Verne Clair, Mrs. D. Biggar, Mrs. Phillip LeFevre, Mrs. W. H. Gardiner, Mrs. C. W. Atkinson, Mrs. J. A. Mackay, Mrs. George Green, Mrs. George Monk, Mrs. H. F. Payne and Mrs. G. W. Boehne.

Mrs. Robert Shean gave a tiffin on Wednesday to welcome Mrs. A. Ehrenlieb and to farewell Mrs. Vernon Thompson, Mrs. Robert L. Fong, Mrs. H. L. Yung and Mrs. F. J. R. Loutit were among the other guests.

Popular Girl Greets Friends

Miss Ellen Louise Schmid who arrived only that day from America where she is attending university, was greeting many of her friends at the Park that evening. With her were her mother, Mrs. Mary Schmid who also is visiting here and her sister, Mrs. Charles H. Raven, jr.

Miss Schmid will spend the summer in Shanghai and return to California in the autumn to resume her studies at Stanford University. At present she is stopping at the Cathay Hotel.

All of her many young friends are arranging parties for her during her summer sojourn. Mrs. Reven jr. gave a party for her last evening. Miss Dallas Lee Franklin is giving a tiffin for her on next Wednesday.

The School Crowd

Summer social activity will centre around members of the younger school set home for the holidays. Miss Audrey Clair, the daughter of Mr. and Mrs. Verne Clair and who has been attending prep school in America, arrived in Shanghai this week. Her mother and others already have arranged several things. Then young Mr. Peter Hopkins and his cousin, Miss Elizabeth Meade, also new arrivals, were being welcomed by much hospitality on the part of younger residents.

Parties of The Week

Another one of the past week's tiffin parties was given by Mrs. Karl Hill who entertained as a farewell courtesy to her guest, Mrs. Howard Terzin who left the following day for her home in Manila. Mrs. Ter-



IN JAPAN
Skitscray
Mme. E. Lady, the wife of the Swiss Charge D'Affaires, is spending the summer holidays in Unzen with her children. She sailed for Japan last Sunday.

zin had been visiting the Karl Hills for the past month.

Mrs. Betty Spunt gave a large dinner party on Tuesday night to welcome home her son and new daughter-in-law, Mr. and Mrs. Joe Douglas Spunt, who had been on a honeymoon trip to Japan. After dinner at home the party went dancing at Farren's. Among the guests were Lady Forster, Miss Carmen de Parodi, Dr. and Mrs. A. J. Alves, Mrs. Jack Levy, Mr. Henry Chan, Mr. and Mrs. Roy Brauer, Mr. Martin Gold, Mr. Leo Spunt, Mrs. George Bronson Rea, Miss Naomi Jacobs, Mr. S. Schwartz, Mr. Donni, Miss Doris Chen, Miss Lesh Wohlgenuth and others.

A farewell party was given on Wednesday night by Mr. and Mrs. G. Duncan in their residence at 110 Tifeng Road, for Mr. and Mrs. J. W. Taplin who sailed on Thursday morning for England via Japan. In the long list of guests were Mr. and Mrs. H. D. M. Robertson, Mr. C. J. Bull, Mr. and Mrs. E. A. Eva, Mr. and Mrs. J. Barry, Mr. J. A. Isaacs, Mr. and Mrs. F. E. Dudley, Mr. and Mrs. R. F. Tabrum, Mr. and Mrs. I. Callender, Mr. and Mrs. Mitchell, Mr. and Mrs. W. B. Curtis, Mr. P. Palamontain, Mr. H. Willgoss, Mr. V. Woolley, Mr. and Mrs. A. Turner, Mr. and Mrs. C. S. Hirsch, Mr. and Mrs. F. C. Guess, Mr. S. Craig, Mr. G. Lays, Mr. and Mrs. W. A. Nicol and Mr. V. F. Meisinger.

At French Club

The French Club was the setting for a delightful dinner on Wednesday night. Dr. and Mme. A. J. Alves were the hosts and they entertained in farewell to Mr. Robert Feitscher, the Czechoslovakian Minister, Mme. Feitscher, and Miss Liselotte Feitscher, who are leaving Shanghai soon.

Among the guests on this occasion were Mr. Oscar de Oxholm, Baron and Baroness John Beck-Fris, Baron Barthel de Weydenthal, M. and Mme J. Krynski, Mr. and Mrs. O. K. Yui, Mr. A. Alessandrini, Mr. and Mrs. V. C. Bowden, Mr. and Mrs. Harry Scott, Captain and Mrs. A. Lico, Mr. and Mrs. J. M. H. Osborne, Dr. and Mrs. E. Birt, Mr. and Mrs. B. Rosenbaum, Lady Forster, Miss Carmen de Parodi.

Mr. C. E. Gauss, the American Consul-General gave a "stag" dinner in his home on Monday night. Guests included prominent Chinese, consular representatives and leaders in the American community. Mrs. Gauss and their son, Charles, left last week for Peitaiho, where they will spend the summer.

To Say Good-Bye

M. Delvaux de Fenffe, the Belgian Charge D'Affaires and Mr. Bruce

CHINESE SOCIAL NOTES

By Wu Ai-Lien

Shanghai, July 4. The big trek vacation-wards has begun and most roads seem to lead to Tsingtao, the Riviera of China. Other national resorts such as Kuling and Mokanshan are coming in for their meed of visitors, however, which is evidence that the slogan, "See China First", is taking effect.

Many of our well-known residents have been busily packing for the holidays for the past week or so in anticipation of their departure this week-end. These preparations, combined with the fact that many schools broke up for the holidays, rather put the curb on social activities, for of course, all the proud parents had to be present to see their budding offspring. Among the institutions whose commencement exercises were held last week were the McTyeire School for Girls, St. Mary's Hall, Lingnan School at Kiangwan and the S.M.C. Secondary School for Chinese Girls, Singapore Road.

A feature of the past several days, however, has been the number of "big" birthday anniversaries which have been celebrated by the septuagenarian heads of prominent Shanghai families. These, "hail and farewell" parties, and various other events, have helped to round out the week.

Vacationers for Tsingtao

Among those who left yesterday for the delights of Tsingtao were Mrs. Russell Sun and her three children, Fifi, Martin and Quentin. She was accompanied by her sister, Mrs. Y. H. Chow. Mr. Sun hopes to get away later although this is his busiest time of the year. Mrs. K. S. Lee and her children also left at the same time, Mr. Lee being expected to follow on his return from Canton, for which he departed two weeks ago. He has been on a visit to his native village and is coming back via the new Hankow-Canton Railway. After some time in Tsingtao, Mr. Lee will go on to Peitaiho for the rest of his vacation.

Tuesday will see Mr. and Mrs. Bob Kan headed for Shanghai's famous summer resort. They will take their children and those of Dr. and Mme. Wellington Koo's along with them. Dr. and Mrs. Y. Yen, at this writing, had not yet "made up their minds." Vivacious Mrs. Elsie Lee Soong will be on her way next Friday, together with her children. Mr. Soong will probably follow on later. Others expecting to go to Tsingtao are Mr. and Mrs. C. P. Ling, who are planning to leave towards the end of the month. Of course, the children will go along, too.

Off to the Mountains

One of the first to leave for Mokanshan was Mrs. Cheng Lin, who had to cut short a trip to America on account of illness. On the road to recovery, her friends expect pure mountain air and rest to give her sparkling health again. She was accompanied by her mother and two children, Mrs. Pearl Fu, wife of Dr. W. S. Fu, has also chosen this nearby beauty spot, as it will then be possible for her husband to spend week-ends away from the heat and dust of the city.

Kuling is the choice of Dr. and Mrs. F. F. Tang as the latter's father, Gen.

Macdonald, the assistant Canadian Trade Commissioner, are both in the midst of eating and drinking their way out of Shanghai. M. Delvaux de Fenffe will be entertained to dinner to-morrow night by Mr. and Mrs. Harry Scott. The Scotts also are giving a good-bye party to Mr. Macdonald on next Saturday night. He leaves the following day in the Express of Canada for Canada. From there he will go to his new post in Oslo, Norway. Also at this dinner will be M. Castello Brance, Consul-General for Brazil, who also is leaving Shanghai.

Here Again—Gone Again

Mr. and Mrs. Victor Desborough who came back to China this week from leave in America met a few old friends at cocktails on Tuesday night at the home of Mr. Cyril Cook where they stopped until to-day. They are sailing for Tsingtao this morning and also going in the same ship for holiday in the same place will be Mr. and Mrs. C. D. Culbertson and their daughters and Mrs. Jack Liddell.

Future Tiffins

Among the events of next week will be two ladies tiffin parties. Mrs. Francesco Leto will give one on Wednesday and Mrs. Harris G. Nelson will entertain in similar fashion on Thursday.

News From America

It's always interesting to hear from former residents and know what they are doing in distant places. A recent letter from Dr. Anne Walter Fearn reveals that she will be away from Shanghai at least until the autumn of 1938. She is now in her old home in Holly Springs, Mississippi where she is greeting many old ex-Shanghai friends.

Ho Chien, Chairman of the Hunan Provincial Government, has a summer residence there. They are expected to leave on July 15 and will be joined later by Mrs. Tang's fourth sister, who left for Peiping last Tuesday morning. The latter has just graduated from St. Mary's Hall. Passing through on her way from Hongkong is Mrs. K. B. Yang. She expects to leave any day for Kuling, where she has just completed building a charming bungalow. All her summer holidays will be spent there, after which she will return home.

Vice versa, Mrs. Bang How, and Mrs. Tsuyee Pei intend to go to the Colony for the summer. Mrs. How will bring her daughter Julie, Mrs. Y. C. Wen of Nanking is also planning to vacation in the South as is Mrs. Chu, the sister of Mr. Chang Kia-ngau, Minister of Railways.

Birthday Celebrations

The influence of the West is plainly seen by the manner in which Chinese celebrate so-called "big" birthdays nowadays. The former rice cakes shaped like a peach, the symbol of longevity, have mostly been replaced by the foreign birthday cake decorated with candles. Such a confection featured the first day's (June 25) festivities for the 71st birthday of Mr. Yu Ya-ching. It began with all the guests being loaded on to a City Government ferry and transported to the Forts Hotel, Woosung. Here dinner was served, with the huge cake, lit by 71 candles, the chief attraction on the menu. The next day, the actual anniversary, began early in the morning, lunch and dinner being served in the Ningpo Guild. Theatrical performances, commencing at 2 p.m. and terminating the next morning, kept the guests well entertained.

Still more interesting was the delightful family party which Mrs. T. K. King, wife of the well-known shipping man, gave in honour of her father, Dr. W. H. Yang, last Tuesday night. It was the latter's 71st birthday also. He is the proud and happy head of a family of two sons, four daughters and twelve grand-children, Miss Grace Yang, Principal of McTyeire Girls' School; is one of his daughters.

A Bountiful Menu

A splendid cook, Mrs. King is famous for her delicious dinner and supervises the cooking of the dishes she has not the time to prepare herself. Therefore, it may interest busy hostesses to know of what her bountiful menu consisted. Here it is:

- Chicken noodle soup
- Roast stuffed turkey and cranberry sauce
- Baked Virginia ham
- Hot and cold asparagus
- Liver in aspic
- Chicken and celery salad
- Hot and cold potatoes
- Mayonnaise of asparagus
- Potato salad
- Young beets
- Parker House rolls
- Birthday cake
- Fruit punch

A triumph of the culinary art, the huge cake was surrounded by the appropriate number of candles. When the latter were lit, everyone sang "happy birthday to you" to the proud and beaming guest of honour, who, in accordance with tradition, blew the candles out in fine style. A happy touch was the Chinese symbol for longevity which the ingenious "chef" and assistants decorated the various dishes with.

She writes that at that time (early in June) her guests were Mr. E. S. Cunningham, the former American Consul-General in Shanghai, and Mr. and Mrs. W. R. Johnson, the former Miss Florence Purdy and daughter of the late Judge Purdy.

She also tells of a delightful trip that she and a sister and Mr. Cunningham took through the "Smokes" in Tennessee. Mr. Cunningham's home state.

According to her present plans Dr. Fearn may rush out to California in August for a visit with her sisters before starting out on another year's tour which will take her to England, Switzerland, Italy, Egypt, New Zealand, Australia, Tahiti and then Japan for the summer of 1938 and after that Shanghai again.

She expects to entertain Mr. Robert J. Grant, now on leave in America, Mr. and Mrs. Fritz Henningsen at Holly Springs this summer. She reports that she entertained Mr. Powell and Miss "Bunnie" Powell to lunch recently.

Women Versus Men's Clubs

Will the staid portals of the Shanghai Club be the next to swing open wide in welcome to feminine Shanghai? Who knows? Even this may come to pass now that women are free to come and go as they like—or almost—at the American Club. Some 80 women already are registered at the club, having been put up by husband members. They now may play bridge and mahjong, read and rest in their own lounge-library and have tiffins teas and dinners there. One entire section is wholly theirs.

The club is no longer man's sanctuary in Shanghai. "O tempora! O mores!"

